Security Window Shutters Limited

Report and Financial Statements

31 December 2017

Security Window Shutters Limited

Directors
D Edmondson
K Russell-Lindeque (appointed 1 March 2018)

Auditors
Ernst & Young LLP
2 St Peter's Square
Manchester M2 3EY

Bankers
National Westminster Bank plc
22 Castle Street
Liverpool L2 0UP

Registered Office
Hornby Road
Claughton
Lancaster
Lancashire LA2 9LA

Registered No. 02125993

Strategic report

The directors present their strategic report for the year ended 31 December 2017.

Principal activities and review of the business

The company continues to manufacture and supply physical security products and roller garage doors to a network of trade customers throughout the UK and the Republic of Ireland.

The directors aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The company's product range can be broken down into four principal areas:

Security Shutters
Fire Shutters & Industrial Doors
Collapsible Gates
Roller & Sectional Garage Doors

As for many businesses of our size, the business environment in which we operate continues to be challenging. In particular the roller garage door market is highly competitive and we continue to see new entrants competing on price rather than specification. Fortunately we believe the company and our product offering is in a strong position and planned developments and improvements will ensure we remain competitive.

We are, of course, also subject to consumer spending patterns and consumers' overall level of disposable income within the UK economy. With these risks and uncertainties in mind we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

The company's results for 2017 reflect a pleasing increase in turnover, however, the significant devaluation of Sterling v the Euro meant that raw material prices increased significantly over 2016 levels. The competitiveness of the markets the company operates in meant that it was unable to pass the whole of this cost increase on; resulting in a lower reported profit in 2017.

Trading results

The company's key financial and other performance indicators during the year were as follows:

	2017	2016
Company turnover (£000)	16,167	14,980
Operating profit (£000)	767	1,114
Profit after tax (£000)	650	896
Shareholders' funds (£000)	8,347	7,696
Current assets as a % of current liabilities	262%	250%
Average number of employees	121	114

Principal risks and uncertainties

Financial instruments

Financial risk management objectives and policies;

It is the company's policy to manage foreign currency risk through the use of relevant financial instruments.

Strategic report (continued)

Financial instruments (continued)

It is policy only to place financial instruments for a maximum of twelve months into the future and that the value of these instruments will not exceed forecast purchases from overseas denominated suppliers. It is not the policy of the company to speculate in the foreign currency markets.

On behalf of the Board

David Edmondson
Director
Date: 2 November 2018

Registered No. 02125993

Directors' report

Results and dividends

The profit for the year after taxation amounted to £650,398 (2016: £896,266). The directors do not recommend a final dividend (2016 – £nil).

Directors

The directors who served the company during the year were as follows:

C D Reoch (resigned 28 February 2018)
C J H Van't Westeinde (resigned 31 December 2017)
D Edmondson

Political and charitable contributions

During the year the company made the following contributions:

	2017	*2016*
	£	£
Charitable	1,261	332

Research and development

Research and development costs of £172,896 were incurred in the year, including £131,787 on the employment costs of staff engaged on new product development.

Future developments

The directors believe that the company is well placed to take advantage of any upturn in the UK economy in 2018. Accordingly the current expectation is for further improvements in trading results for the next period.

Going concern

The company has considerable financial resources together with strong revenue forecasts. As a consequence the directors believe that the company is well placed to manage its business risks successfully despite the uncertain economic outlook. The directors thus have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis has been adopted in preparing the financial statements.

Exposure to credit and liquidity and risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the Company's receivables are shown on the face of the balance sheet.

Directors report (continued)

Exposure to credit and liquidity and risk (continued)

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets throughout the Company.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Under section 485 of Companies Act 2006 a resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

David Edmondson
Director
Date: 2 November 2018

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECURITY WINDOW SHUTTERS LIMITED

Opinion

We have audited the financial statements of Security Window Shutters Limited for the year ended which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECURITY WINDOW SHUTTERS LIMITED (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities.This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Anne Wong (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester
6 November 2018

Statement of Comprehensive Income for the year ended 31 December 2017

	Notes	2017 £	2016 £
Turnover	3	16,166,680	14,980,154
Cost of sales		(11,660,522)	(10,350,228)
Gross profit		**4,506,158**	**4,629,926**
Distribution costs		(795,256)	(753,164)
Administrative expenses		(2,944,304)	(2,762,601)
Operating profit	4	**766,598**	**1,114,161**
Interest receivable and similar income	6	310	18
Interest payable		(52)	-
Income from investments		15,000	11,750
Profit on ordinary activities before tax		**781,856**	**1,125,929**
Tax expense	7	(131,458)	(229,703)
Profit for the year		**650,398**	**896,226**
Other comprehensive income		-	-
Total comprehensive income for the year		**650,398**	**896,226**

Balance sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible fixed assets	8	394,766	401,967
Investments	9	2,297,518	2,301,084
		2,692,284	2,703,051
Current assets			
Stocks	10	1,281,228	1,159,666
Trade and other debtors			
- due within one year	11	2,654,449	2,314,179
Cash at bank and in hand		5,178,730	4,827,419
Deferred tax assets	7	29,836	26,590
		9,144,243	8,327,854
Creditors: amounts falling due within one year			
Trade and other payables	12	(3,489,908)	(3,334,684)
Net current assets		5,654,335	4,993,170
Total assets less current liabilities		8,346,619	7,696,221
NET ASSETS		8,346,619	7,696,221
Capital and reserves			
Equity share capital	14	52,632	52,632
Share premium account	14	12,370	12,370
Capital redemption reserve		400	400
Retained earnings		8,281,217	7,630,819
TOTAL EQUITY		8,346,619	7,696,221

The financial statements were approved and authorised for issue by the Board of Directors on 2 November 2018

David Edmondson

Director

Registered No. 02125993

Statement of changes in equity for the year ended 31 December 2017

	Equity share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total equity £
At 01 January 2016	52,632	12,370	400	6,734,593	6,799,995
Profit for the year	-	-	-	896,226	896,226
At 31 December 2016	52,632	12,370	400	7,630,819	7,696,221
Profit for the year	-	-	-	650,398	650,398
At 31 December 2017	**52,632**	**12,370**	**400**	**8,281,217**	**8,346,619**

Notes to the financial statements for the year ended 31 December 2017

1. General information and statement of compliance

Security Window Shutters Limited is a company incorporated in the UK. The company meets the definition of a qualifying entity under FRS 100, issued by the Financial Reporting Council (FRC).

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101) and in accordance with applicable accounting standards.

The company has taken advantage of the exemption not to prepare consolidated financial statements, as it is a wholly owned subsidiary of CRH plc. The consolidated financial statements of CRH plc. are available to the public as set out in note 17.

The principal accounting policies adopted by the company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the measurement at fair value of certain financial assets and liabilities including derivative financial instruments. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii),B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of CRH Plc, in which the entity is consolidated;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
  the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv);
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
  the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction, is wholly owned by such a member; and the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets

2. Accounting policies (continued)

2.2 Key accounting policies which involve estimates, assumptions and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The following estimate is dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amount of assets recognised at the balance sheet date:

Impairment of non-financial assets

The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

2.3 Taxation – current and deferred

Current tax represents the expected tax payable (or recoverable) on the taxable profit for the year using tax rates enacted for the period. Where items are accounted for outside of profit or loss, the related income tax is recognised either in other comprehensive income or directly in equity as appropriate. Deferred tax is recognised using the liability method on timing differences arising at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. No provision has been made for timing differences applicable to investments in subsidiaries and joint ventures as the company is in a position to control the timing of reversal of the timing differences and it is probable that the timing differences will not reverse in the foreseeable future.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets and liabilities are not subject to discounting. Deferred tax assets are recognised in respect of all deductible timing differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which the timing differences can be utilised. The carrying amounts of deferred tax assets are subject to review at each balance sheet date and are reduced to the extent that future taxable profits are considered to be inadequate to allow all or part of any deferred tax asset to be utilised.

2. Accounting policies (continued)

2.3 Taxation – current and deferred (continued)

The determination of the company's provision for income tax requires certain judgements and estimates in relation to matters where the ultimate tax outcome may not be certain. The recognition or non-recognition of deferred tax assets as appropriate also requires judgement as it involves an assessment of the future recoverability of those assets. In addition, the company is subject to tax audits which can involve complex issues that could require extended periods for resolution. Although management believes that the estimates included in the Financial Statements and its tax return positions are reasonable, no assurance can be given that the final outcome of these matters will not be different than that which is reflected in the company's historical income tax provisions and accruals. Any such differences could have a material impact on the income tax provision and profit for the period in which such a determination is made.

2.4 Revenue recognition

Revenue represents the value of goods and services supplied and is net of trade discounts and value added tax. Revenue is recognised to the extent that revenue and related costs incurred or to be incurred are subject to reliable measurement, that it is probable that economic benefits will flow to the company and that the significant risks and rewards of ownership have passed to the buyer on delivery of the goods.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less any accumulated depreciation.

In the application of the company's accounting policy, judgement is exercised by management in the determination of residual values and useful lives. Depreciation and depletion is calculated to write off the book value of each item of property, plant and equipment over its useful economic life at the following rates:

Leasehold property –	over the shorter of the estimated useful life of the asset and the lease term
Plant and machinery–	20% straight line
Fixtures and fittings –	25% reducing balance (computer equipment and office equipment 3 and 6 years straight line)
Motor vehicles –	3 years straight-line

2.6 Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease rentals are charged to the Income Statement on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost is based on the first-in, first-out principle (and weighted average, where appropriate) and includes all expenditure incurred in acquiring the inventories and bringing them to their present location and condition. Raw materials are valued on the basis of purchase cost on a first-in, first-out basis. In the case of finished goods and work-in-progress, cost includes direct materials, direct labour and attributable overheads based on normal operating capacity.

Net realisable value is the estimated proceeds of sale less all further costs to completion, and less all costs to be incurred in marketing, selling and distribution. Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, taking into consideration fluctuations of price or cost directly relating to events occurring after the end of the period, the likelihood of short-term changes in buyer preferences, product obsolescence or perishability (all of which are generally low given the nature of the company's products) and the purpose for which the inventory is held. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished goods, in which they will be incorporated, are expected to be sold at or above cost.

2.8 Trade and other receivables

Trade receivables are carried at original invoice amount less an allowance for potentially uncollectible debts. Provision is made when there is objective evidence that the company will not be in a position to collect the associated debts or if the debt is more than six months old. Bad debts are written-off to the Income Statement on identification.

2.9 Derivative financial instruments and hedging practices

In order to manage foreign currency and commodity risks, the company employs derivative financial instruments (principally forward foreign exchange contracts). Derivative financial instruments are recognised initially at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The carrying value of derivatives is fair value based on discounted future cash flows and adjusted for counterparty risk. Changes in fair values are reported in the Income Statement.

2.10 Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Pound sterling is the functional currency.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

2.11 Investments

Investments in subsidiaries and associates are held at historical cost less any applicable provision for impairment.

2. Accounting policies (continued)

2.12 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

2.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

2.14 Trade and other payables

Trade and other payables are carried at cost.

3. Turnover

	2017	2016
	£	£
Continuing operations		
Sale of goods	16,162,400	14,974,741
Revenue from installation contracts	4,280	5,413
Turnover per income statement	**16,166,680**	**14,980,154**

Turnover by geographical area

	2017	2016
	£	£
United Kingdom	16,064,452	14,892,830
Republic of Ireland	57,416	57,002
Rest of Europe	10,763	24,147
Rest of World	34,049	6,175
	16,166,680	**14,980,154**

4. Operating profit

Operating profit is stated after charging / (crediting):

	2017	2016
	£	£
Depreciation of tangible fixed assets (note 8)	116,851	98,136
Write downs of stock recognised as an expense	15,644	8,740
Profit on foreign exchange	(130,328)	(588,525)
Operating lease rentals	360,708	241,495
Research and development costs	172,896	135,094
Auditors' remuneration	15,000	15,000

5. Staff costs and directors' remuneration

Staff costs

The average monthly number of employees during the year was:

	2017	2016
	No.	No.
Administration	10	10
Sales	17	16
Manufacturing	94	88
	121	**114**

Staff costs are comprised of:

	2017	2016
	£	£
Wages and salaries	3,261,653	3,077,853
Social welfare costs	300,597	264,302
Pension costs (note 13)	37,720	37,770
Total	**3,599,970**	**3,379,925**

Directors' remuneration:

	2017	2016
	£	£
Directors' remuneration	229,222	212,173
Value of company pension contributions to money purchase schemes	4,368	4,534

	£	£
In respect of the highest paid director:		
Remuneration	144,042	154,204
Company pension contributions	2,649	3,121

6. Interest receivable and similar income

	2017	2016
	£	£
Interest receivable on other loans	310	18
Total interest receivable and similar income	**310**	**18**

7. Taxation

(a) Tax charged in the income statement

	2017	2016
	£	£
Current income tax:		
UK corporation tax	156,161	226,692
Adjustments in respect of prior years	(21,457)	(6,711)
Total current income tax	**134,704**	**219,981**
Deferred tax:		
Current year	(3,675)	2,437
Adjustments in respect of previous periods	-	5,965
Impact of change in tax rates	429	1,320
Total deferred tax	**(3,246)**	**9,722**
Tax expense in the income statement	**131,458**	**229,703**

(b) Reconciliation of the total tax charge

The charge for the year can be reconciled to the profit in the income statement as follows:

	2017	2016
	£	£
Profit before tax	781,856	1,125,929
Tax calculated at the UK standard rate of corporation tax of 19.25% (2016: 20.00%)	150,507	225,186
Expenses not deductible for tax purposes	4,867	3,550
Non-taxable income	(2,888)	(2,350)
Tax rate changes	429	1,320
Exempt amounts	-	2,743
Adjustment in respect of prior years	(21,457)	(746)
Total expense in the income statement	**131,458**	**229,703**

7. Taxation (continued)

Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date. The timing of the reversal of the Company's deferred tax items has been considered, and accordingly at 31 December 2017 deferred tax has been calculated at the tax rates that are expected to apply when the related asset is realised or liability is settled.

Finance No.2 bill 2015 enacted the rate of corporation tax to 19% with effect from 1 April 2017 resulting in a blended current tax rate for the year of 19.25%. On 15 September 2016, Finance Bill 2016 enacted a further rate reduction to 17% with effect from 1 April 2020.

(c) Analysis of deferred tax

The deferred tax recognised in the company balance sheet is as follows:

	£
At 1 January 2017	26,590
Current year charged to income statement	3,246
At 31 December 2017	**29,836**

	2017	2016
	£	£
Deferred tax asset		
Accelerated capital allowances	29,836	26,590
	29,836	**26,590**

8. Tangible fixed assets

	Short leasehold land & buildings £	Plant, equipment & fixtures £	Motor Vehicles £	Total £
Cost:				
At 31 December 2016	243,470	1,579,449	8,139	1,831,058
Additions	-	109,834	-	109,834
Disposals	-	(44,035)	-	(44,035)
At 31 December 2017	243,470	1,645,248	8,139	1,896,857
Depreciation:				
At 31 December 2016	140,173	1,280,779	8,139	1,429,091
Provided during year	15,453	101,398	-	116,851
Disposals	-	(43,851)	-	(43,851)
At 31 December 2017	155,626	1,338,326	8,139	1,502,091
Net book value:				
At 31 December 2017	87,844	306,922	-	394,766
At 31 December 2016	103,297	298,670	-	401,967

9. Investments

	2017 £	2016 £
Investments	2,297,518	2,301,084

The investment above represents 20% of the issued share capital (2016: 20%) of C & P Security Products Limited (registered in England, company number 06024622) and 100% of the issued share capital (2016: 100%) of Alluguard Limited (registered in England, company number 07184710).

All investments are stated at cost less impairment.

The movement in investments is as follows:

	£
Cost:	
At 1 January 2017	2,301,084
Refund of acquisition consideration Alluguard Limited	(3,566)
At 31 December 2017	**2,297,518**

Financial information for the year ended 31st December 2017:

	Profit for the year £	Net Assets £
Alluguard Limited	261,754	981,613
C &P Security Products Limited	86,453	397,729

10. Stocks

	2017	2016
	£	£
Raw materials	1,269,386	1,143,242
Finished goods and goods for resale	11,842	16,424
	1,281,228	**1,159,666**

In the opinion of the Directors, the replacement cost of these stocks is not materially different from their value above.

11. Trade and other debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	2,613,905	2,296,549
Allowance for doubtful debts	(140,553)	(138,527)
	2,473,352	2,158,022
Prepayments and accrued income	156,629	130,881
Other debtors	24,468	25,276
	181,097	156,157
Total debtors	**2,654,449**	**2,314,179**

The carrying amounts of the trade and other debtors approximate their fair value largely due to the short-term maturities and nature of these instruments.

12. Trade and other payables

	2017	2016
	£	£
Amounts falling due within one year:		
Trade creditors	2,460,134	1,952,978
Accruals and deferred income	186,771	279,810
Other payables	481,608	489,067
Total payables	**3,489,908**	**3,334,684**

The carrying amounts of trade and other payables approximate their fair value largely due to the short-term maturities and nature of these instruments.

13. Retirement benefit obligations

The company operates a defined contribution plan.

The cost charged to the income statement of £37,720 (2016: £37,770) represents contributions payable to the defined contribution scheme by the company at rates specified in the rules of the plan. As at 31 December 2017, contributions of £6,063 (2016: £5,625) due in respect of the current reporting period had not been paid over to the scheme.

14. Authorised and issued share capital

Equity share capital

	2017 No.	2016 No.	2017 £	2016 £
Authorised				
Ordinary shares of £1 each	52,632	52,632	52,632	52,632

The holders of the ordinary shares shall have the right to attend and vote at general meetings of the company.

Share premium

	2017 £	2016 £
At 31 December	12,370	12,370

15. Commitments under operating leases

Operating leases

The company has entered into operating leases on certain properties & plant/machinery. The leases have an average duration of between 2 to 8 years.

Future minimum rentals payable under non-cancellable operating leases at 31 December are as follows:

	2017 £	2016 £
Within one year	314,008	230,775
After one year but not more than five years	924,804	868,405
More than five years	507,250	600,792
	1,746,062	**1,699,972**

16. Related party transactions

During the year the company entered into transactions, in the ordinary course of business, with related parties. The company has taken advantage of the exemption under paragraph 8 (k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

The company occupies premises owned by The Dootson Pension Scheme, a scheme that will provide benefits for Andrew Dootson, a former director of the company. The premises are leased to Security Window Shutters Limited and during the year the company paid a commercial rent of £153,125 (2016 – £150,000).

The company had sales of £260,803 (2016 - £214,142) and purchases of £82,386 (2016 - £51,429) with C & P Security Products Limited, where we hold a 20% investment (see note 9). These transactions were at arm's length commercial rates.

17. Ultimate controlling party

The company's immediate parent is CRH (UK) Limited a limited company in the UK. The company's ultimate parent and ultimate controlling party is CRH plc, a company incorporated in the Republic of Ireland.

CRH plc is the only group of which the company is a member for which consolidated group financial statements are prepared. These group accounts are publicly available from CRH plc, 42 Fitzwilliam Square, Dublin 2, RO2 R279, Ireland.