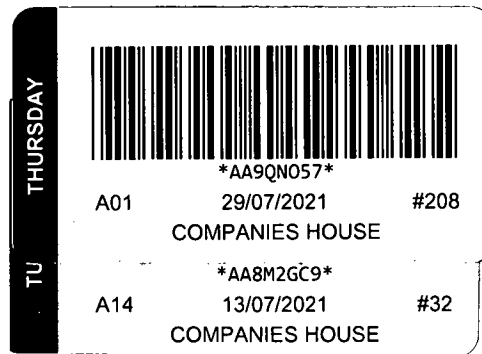


Registration number: 07362460

Boutique Modern Limited

Annual Report and Unaudited Financial Statements - Amended

for the Year Ended 30 June 2020



Chisnall Comer Ismail and Co
Chartered Accountants
Maria House
35 Millers Road
Brighton
BN1 5NP

Boutique Modern Limited

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Boutique Modern Limited

Company Information

Directors

G F Palmer

R Shone

L J P Shone

N D Eckert

Company secretary

R Yon

Registered office

Unit 3-7
Newhaven Industrial Park
Beach Road
Newhaven
East Sussex
BN9 0BX

Accountants

Chisnall Comer Ismail and Co
Chartered Accountants
Maria House
35 Millers Road
Brighton
BN1 5NP

Boutique Modern Limited

Directors' Report for the Year Ended 30 June 2020

The directors present their report and the financial statements for the year ended 30 June 2020.

Directors of the company

The directors who held office during the year were as follows:

G F Palmer

R Shone

L J P Shone

N D Eckert

Principal activity

The principal activity of the company is the manufacture and distribution of modular homes

Going concern

The directors have indicated that they will continue to provide support for the foreseeable future so these accounts have been prepared on the going concern basis.

Boutique Modern Limited

Directors' Report for the Year Ended 30 June 2020

Statement from Managing Director Dick Shone

Momentum within the business continues to build and exciting times are ahead! The company has successfully transitioned in the period from a one-off house builder to a supplier of high quality, sustainable housing to Local Authorities and blue-chip Housing Associations. Government continues to champion off-site as the solution to the construction skills shortage and Local Authorities are solving the procurement conundrum that has stifled housing delivery.

In summary this was a further period of development and consolidation.

- Turnover was up a further 26% in the period
- Operating margin increased by 14%
- Despite a Covid shutdown, pre-tax losses were reduced.
- Further funding from our shareholders covered these losses.
- Further internal investment in R&D refined our build system to comply with forthcoming changes to fire regulations.
- We were approved by BOPAS. Their audit certified our processes from project initiation, through design and procurement to manufacturing, quality control and on-site management and completion.
- We continued to employ a range of micro generation and energy storage within our homes. Looking at ways to reduce running cost for tenants.
- We established a Commercial team within the Operations office to enable us to win Main Contractor status on future projects.

Our year began with us building a further 6 homes to complete a holiday development in the Southdowns National Park that we began in 2018. These high-spec homes employed our usual high-performance building envelope and supported a wildflower roof to meet the strict aesthetic and performance conditions imposed by the National Park.

Our first project for Lewes District Council of 6 retirement bungalows, delivered in the first half of 2019, was well received and won an LABC Award for best new social housing project of the year. This led to us being invited by the Local Authority to tender as Main Contractor on a block of 13 flats for Social Housing in our hometown of Newhaven. We won the tender to build the modular portion of the project but were not awarded the Main Contractor role because we were considered under resourced in this area. We determined to fill these gaps for future tenders.

Covid lockdown closed the factory for 7 weeks from late March but the office team used the time productively, achieving BOPAS approval, winning a contract with a Stonewater, and developing our social housing offer for Local Authorities.

The company continued to develop its 'for locals, by locals' philosophy and won the contract to build affordable housing for Eastbourne Borough Council - this time as Main Contractor – the nature of this project further developed the build system to form a 4 storey block of maisonette apartments.

We finished the period on-site in Newhaven preparing 13 flats, each with Solar generation and Battery storage for occupation. These have since been shortlisted for a number of industry awards.

We look forward to filling our next set of accounts in the near future, these are exciting time at Boutique Modern.

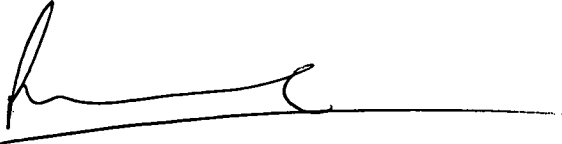
Boutique Modern Limited

Directors' Report for the Year Ended 30 June 2020

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 5 July 2021 and signed on its behalf by:


.....
R Shone
Director

Boutique Modern Limited

(Registration number: 07362460)

Balance Sheet as at 30 June 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	43,135	8,107
Current assets			
Stocks	5	44,063	46,073
Debtors	6	284,300	108,847
		328,363	154,920
Creditors: Amounts falling due within one year	7	(1,466,722)	(1,026,824)
Net current liabilities		(1,138,359)	(871,904)
Total assets less current liabilities		(1,095,224)	(863,797)
Creditors: Amounts falling due after more than one year	7	(2,060,321)	(1,635,305)
Provisions for liabilities		(25,000)	-
Net liabilities		(3,180,545)	(2,499,102)
Capital and reserves			
Called up share capital		1,316	1,000
Share premium reserve		300	300
Profit and loss account		(3,182,161)	(2,500,402)
Shareholders' deficit		(3,180,545)	(2,499,102)

For the financial year ending 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

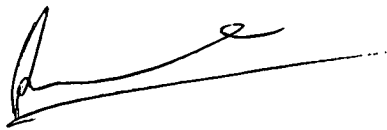
- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Boutique Modern Limited
(Registration number: 07362460)
Balance Sheet as at 30 June 2020

Approved and authorised by the Board on 5 July 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'R Shone', written over a dotted line.

R Shone
Director

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

1 General information

These accounts have been amended.

These accounts replace the original accounts and are now the statutory accounts. They are prepared as they were at the date of the original accounts.

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 3-7

Newhaven Industrial Park

Beach Road

Newhaven

East Sussex

BN9 0BX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The directors make up a significant amount of the current and long term creditors, The directors have indicated that they will continue to provide support for the foreseeable future so these accounts have been prepared on the going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	5 years straight line
Fixtures and fittings	3 years straight line
Computer equipment	3 years straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 32 (2019 - 30).

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

4 Tangible assets

	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation			
At 1 July 2019	6,557	12,217	18,774
Additions	6,698	39,243	45,941
At 30 June 2020	13,255	51,460	64,715
Depreciation			
At 1 July 2019	3,729	6,938	10,667
Charge for the year	3,336	7,577	10,913
At 30 June 2020	7,065	14,515	21,580
Carrying amount			
At 30 June 2020	6,190	36,945	43,135
At 30 June 2019	2,828	5,279	8,107

5 Stocks

	2020 £	2019 £
Other inventories	44,063	46,073

6 Debtors

	2020 £	2019 £
Trade debtors	77,044	21,676
Prepayments	64,042	49,184
Other debtors	143,214	37,987
	284,300	108,847

7 Creditors

Creditors: amounts falling due within one year

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	142,058	91,293
Trade creditors		260,355	309,058
Taxation and social security		29,442	149,138
Accruals and deferred income		863,879	452,935
Other creditors		170,988	24,400
		<u>1,466,722</u>	<u>1,026,824</u>

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	8	<u>2,060,321</u>	<u>1,635,305</u>

8 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	<u>2,060,321</u>	<u>1,635,305</u>

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	98,447	66,350
Other borrowings	<u>43,611</u>	<u>24,943</u>
	<u>142,058</u>	<u>91,293</u>

9 Related party transactions

Transactions with directors

	2020	At 1 July 2019 £	Other payments made to company by director £	At 30 June 2020 £
N D Eckert				
Loan		(1,588,082)	(401,684)	(1,989,766)
R Shone				
Loan		(47,223)	8,000	(39,223)

Boutique Modern Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

	2019	At 1 July 2018 £	Other payments made to company by director £	At 30 June 2019 £
N D Eckert				
Loan		(1,123,082)	(465,000)	(1,588,082)
R Shone				
Loan		(19,591)	(27,632)	(47,223)

Other transactions with directors

Interest is payable on the directors loans to the company at 7% per annum, calculated on a daily basis. The net figures payable which are included in accruals are N Eckert £475,153 (2019 - £367,746) and R Shone £16,898 (2019 - £14,626).

Expenditure with and payables to related parties

2020	Key management £
Amounts payable to related party	109,680
2019	Key management £
Amounts payable to related party	79,292