

A D Modular Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

Hurst & Co
Chartered Accountants
74/76 High Street
Winsford
Cheshire
CW7 2AP

A D Modular Limited

Company Information

Directors	A Gilligan T A Gilligan
Registered office	74/76 High Street Winsford Cheshire CW7 2AP
Accountants	Hurst & Co Chartered Accountants 74/76 High Street Winsford Cheshire CW7 2AP

A D Modular Limited

Directors' Report for the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors of the company

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

A Gilligan

T A Gilligan

D Madeley (Resigned 30 November 2019)

Principal activity

The principal activity of the company is the sale, hire and installation of modular units.

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 16 December 2019 and signed on its behalf by:

.....

T A Gilligan

Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
A D Modular Limited
for the Year Ended 31 March 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A D Modular Limited for the year ended 31 March 2019 as set out on pages 4 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icacw.com/cn/mcmbers/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of A D Modular Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of A D Modular Limited and state those matters that we have agreed to state to the Board of Directors of A D Modular Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A D Modular Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A D Modular Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A D Modular Limited. You consider that A D Modular Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of A D Modular Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Hurst & Co
Chartered Accountants
74/76 High Street
Winsford
Cheshire
CW7 2AP

16 December 2019

A D Modular Limited

Profit and Loss Account for the Year Ended 31 March 2019

	Note	Total 31 March 2019 £	Total 31 March 2018 £
Turnover		4,177,839	1,797,841
Cost of sales		<u>(2,363,946)</u>	<u>(1,076,842)</u>
Gross profit		1,813,893	720,999
Administrative expenses		<u>(1,562,473)</u>	<u>(694,775)</u>
Operating profit		<u>251,420</u>	<u>26,224</u>
Other interest receivable and similar income		393	-
Interest payable and similar expenses		<u>(22,466)</u>	<u>(13,133)</u>
		<u>(22,073)</u>	<u>(13,133)</u>
Profit before tax	<u>4</u>	229,347	13,091
Taxation		<u>(110,800)</u>	<u>(32,313)</u>
Profit/(loss) for the financial year		<u><u>118,547</u></u>	<u><u>(19,222)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 7 to 12 form an integral part of these financial statements.

A D Modular Limited
(Registration number: 08215558)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>5</u>	3,779,011	4,085,957
Current assets			
Stocks	<u>6</u>	74,620	290,624
Debtors	<u>7</u>	776,374	775,745
Cash at bank and in hand		409,988	237,956
		1,260,982	1,304,325
Creditors: Amounts falling due within one year	<u>8</u>	(1,012,926)	(1,080,826)
Net current assets		248,056	223,499
Total assets less current liabilities		4,027,067	4,309,456
Creditors: Amounts falling due after more than one year	<u>8</u>	(103,080)	(379,016)
Net assets		3,923,987	3,930,440
Capital and reserves			
Called up share capital		2	2
Revaluation reserve		3,411,129	3,411,129
Profit and loss account		512,856	519,309
Total equity		3,923,987	3,930,440

For the financial year ending 31 March 2019 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.

Approved and authorised by the Board on 16 December 2019 and signed on its behalf by:

.....
A Gilligan

.....
T A Gilligan

Director

Director

The notes on pages 7 to 12 form an integral part of these financial statements.

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A D Modular Limited

Statement of Changes in Equity for the Year Ended 31 March 2019

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2018	2	3,411,129	519,309	3,930,440
Profit for the year	-	-	118,547	118,547
Total comprehensive income	-	-	118,547	118,547
Dividends	-	-	(125,000)	(125,000)
At 31 March 2019	2	3,411,129	512,856	3,923,987

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 October 2017	2	3,411,129	563,531	3,974,662
Loss for the year	-	-	(19,222)	(19,222)
Total comprehensive income	-	-	(19,222)	(19,222)
Dividends	-	-	(25,000)	(25,000)
At 31 March 2018	2	3,411,129	519,309	3,930,440

The notes on pages 7 to 12 form an integral part of these financial statements.

A D Modular Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

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

The address of its registered office is:

74/76 High Street

Winsford

Cheshire

CW7 2AP

These financial statements were authorised for issue by the Board on 16 December 2019.

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.

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.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position 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.

A D Modular Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

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
Cabins	10% on reducing balance
Plant and machinery	25% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	25% on reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements for the Year Ended 31 March 2019

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.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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 12 (2018 - 14).

A D Modular Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

4 Profit before tax

Arrived at after charging/(crediting)

	2019 £	2018 £
Depreciation expense	439,060	223,707

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 April 2018	17,654	129,668	4,234,616	4,381,938
Additions	-	67,994	64,120	132,114
At 31 March 2019	17,654	197,662	4,298,736	4,514,052
Depreciation				
At 1 April 2018	11,594	63,531	220,856	295,981
Charge for the period	1,515	16,575	420,970	439,060
At 31 March 2019	13,109	80,106	641,826	735,041
Carrying amount				
At 31 March 2019	4,545	117,556	3,656,910	3,779,011
At 31 March 2018	6,060	66,137	4,013,760	4,085,957

Revaluation

The fair value of the company's Cabins was revalued on 30 September 2017. An independent valuer was not involved.

The majority of the modular buildings and cabins were purchased at less than market value and the directors consider that a fair value of the assets at 30th September 2017 is £4,200,000..

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £1,276,194 (2018 - £1,224,194).

6 Stocks

	2019 £	2018 £
Work in progress	74,620	290,624

A D Modular Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

7 Debtors

	2019 £	2018 £
Trade debtors	290,416	360,301
Other debtors	485,958	415,444
	<u>776,374</u>	<u>775,745</u>
Total current trade and other debtors	<u>776,374</u>	<u>775,745</u>

8 Creditors

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	9	310,707	250,891
Trade creditors		426,792	760,673
Taxation and social security		255,628	62,936
Other creditors		19,799	6,326
		<u>1,012,926</u>	<u>1,080,826</u>
Due after one year			
Loans and borrowings	9	<u>103,080</u>	<u>379,016</u>

9 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	6,333	195,305
Finance lease liabilities	96,747	183,711
	<u>103,080</u>	<u>379,016</u>

A D Modular Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

	2019	2018
	£	£
Current loans and borrowings		
Bank borrowings	183,001	178,182
Finance lease liabilities	127,706	72,709
	<u>310,707</u>	<u>250,891</u>

10 Dividends

	2019	2018
	£	£
Interim dividend of £62,500.00 (2018 - £12,500.00) per ordinary share	125,000	25,000

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.