

Registration number: 04001676

# Approved Design Consultancy Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2019



Murray Harcourt Limited  
6 Queen Street  
Leeds  
West Yorkshire  
LS1 2TW

# **Approved Design Consultancy Limited**

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# **Approved Design Consultancy Limited**

## **Company Information**

<b>Directors</b>	I O'Connor M Watton
<b>Registered office</b>	Unit 4 Pioneer Way Pioneer Business Park Castleford West Yorkshire WF10 5QU
<b>Auditors</b>	Murray Harcourt Limited 6 Queen Street Leeds West Yorkshire LS1 2TW

# Approved Design Consultancy Limited

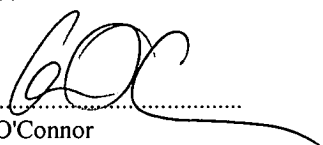
(Registration number: 04001676)  
Balance Sheet as at 31 March 2019

	Note	31 March 2019 £	31 March 2018 £
<b>Fixed assets</b>			
Tangible assets	4	-	195,728
<b>Current assets</b>			
Debtors	5	100	2,842,256
Cash at bank and in hand		-	157,207
		100	2,999,463
<b>Creditors: Amounts falling due within one year</b>	6	-	(1,268,010)
<b>Net current assets</b>		100	1,731,453
<b>Net assets</b>		100	1,927,181
<b>Capital and reserves</b>			
Called up and fully paid share capital		100	100
Profit and loss account		-	1,927,081
<b>Total equity</b>		100	1,927,181

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.

Approved and authorised by the Board on 20/12/19 and signed on its behalf by:

  
.....  
I O'Connor  
Director

## **Approved Design Consultancy 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 and Wales. Details of the registered office are shown on page 1.

#### **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.

##### **Basis of preparation**

These financial statements have been prepared on a going concern basis, using the historical cost convention and 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.

The financial statements are presented in Pounds Sterling ("£"), which is also the functional currency of the Company, and rounded to the nearest £1.

##### **Audit report**

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 23/12/19 was Steven Williams FCA, who signed for and on behalf of Murray Harcourt Limited.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the provision of design consultancy services in the ordinary course of the Company's activities. Turnover is shown net of value added tax, returns, rebates and discounts. Turnover is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

##### **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.

Current income tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on timing differences between taxable profits and profits reported in the financial statements. Deferred tax is recognised on all timing differences at the reporting date and is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### **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.

## Approved Design Consultancy Limited

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

#### 2 Accounting policies (continued)

##### 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
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	25% reducing balance

##### Trade debtors

Trade debtors are amounts due from customers for 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.

##### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### 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 profit and loss 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 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. 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 profit and loss and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

## **Approved Design Consultancy Limited**

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

#### **2 Accounting policies (continued)**

##### **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.

##### **Dividends**

Dividend distribution to the company's shareholders is recognised in the financial statements in the reporting period in which the dividends are paid.

##### **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.

##### **Financial instruments**

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

## Approved Design Consultancy Limited

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

#### 3 Staff numbers

The average number of persons employed by the company (including directors) in the year, was 18 (2018 - 37).

#### 4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 April 2018	201,698	271,915	473,613
Additions	10,187	-	10,187
Disposals	(211,885)	(271,915)	(483,800)
At 31 March 2019	-	-	-
<b>Depreciation</b>			
At 1 April 2018	165,197	112,688	277,885
Charge for the year	7,737	32,531	40,268
Eliminated on disposal	(172,934)	(145,219)	(318,153)
At 31 March 2019	-	-	-
<b>Carrying amount</b>			
At 31 March 2019	-	-	-
At 31 March 2018	36,501	159,227	195,728

On 30 September 2018, the trade and net assets of the Company were transferred to a fellow group company for consideration equal to the book value of the assets transferred. Accordingly, the disposal of the Company's tangible fixed assets gave rise to no profit or loss.

#### 5 Debtors

	31 March 2019 £	31 March 2018 £
Trade debtors	-	380,291
Amounts owed by group undertakings	100	1,799,000
Other debtors	-	18,732
Prepayments and accrued income	-	644,233
	100	2,842,256



## Approved Design Consultancy Limited

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

#### 6 Creditors

	31 March 2019 £	31 March 2018 £
<b>Due within one year</b>		
Finance lease liabilities	-	20,293
Trade creditors	-	44,497
Amounts owed to group undertakings	-	284,017
Taxation and social security	-	306,305
Other creditors	-	1,748
Accruals and deferred income	-	611,150
	<u>-</u>	<u>1,268,010</u>

#### 7 Dividends

##### Interim dividends paid

	31 March 2019 £	31 March 2018 £
Interim dividend of £20,697.55 (2018 - £Nil) per each Ordinary share	<u>2,069,755</u>	<u>-</u>

#### 8 Operating lease commitments

##### Operating leases

The total of future minimum lease payments is as follows:

	31 March 2019 £	31 March 2018 £
Not later than one year	-	18,000
Later than one year and not later than five years	-	69,000
	<u>-</u>	<u>87,000</u>

On 30 September 2018, the trade and net assets of the Company were transferred, as a going concern, to a fellow group company. As part of the transfer agreement, the fellow group company assumed the liability under the Company's operating leases.

## **Approved Design Consultancy Limited**

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

#### **9 Financial commitments, guarantees and contingencies**

The Company is party to a cross guarantee with its ultimate parent, Stroma Group Limited. Under the terms of the guarantee, Approved Design Consultancy Limited has guaranteed borrowings of other members of the Group. The amount guaranteed at the year-end amounted to £17,756,249 (2018 - £19,054,751).

#### **10 Related party transactions**

The Company has taken the exemption set out in FRS 102 from disclosing transactions with wholly owned group members.

#### **11 Parent and ultimate parent undertaking**

The most senior parent entity producing publicly available financial statements is Stroma Group Limited, the Company's ultimate parent undertaking. The parent of the smallest group in which these financial statements are consolidated is Stroma Developments Limited.

The address of its registered office is Unit 4 Pioneer Way, Pioneer Business Park, Castleford, WF10 5QU.