

# Modus Construction Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2021

**Modus Construction Limited**

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# **Modus Construction Limited**

## **Company Information**

<b>Directors</b>	Mr Peter Kidd Mrs Helen Kidd Mrs Caroline Badcock Mr Ian Badcock
<b>Registered office</b>	5-7 Norcot Road Tilehurst Reading Berkshire RG30 6BP
<b>Accountants</b>	PAW Consulting Limited Chartered Accountants Unit 2, City Limits Danehill Reading Berkshire RG6 4UP

# **Modus Construction Limited**

## **Directors' Report for the Year Ended 31 March 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

### **Directors of the company**

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

Mr Peter Kidd

Mrs Helen Kidd

Mrs Caroline Badcock

Mr Ian Badcock

### **Principal activity**

The principal activity of the company is general builders.

### **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 14 May 2021 and signed on its behalf by:

.....

Mr Peter Kidd

Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited  
Statutory Accounts of  
Modus Construction Limited  
for the Year Ended 31 March 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Modus Construction Limited for the year ended 31 March 2021 as set out on pages 4 to 11 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.icaew.com/regulation>.

This report is made solely to the Board of Directors of Modus Construction 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 Modus Construction Limited and state those matters that we have agreed to state to the Board of Directors of Modus Construction 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 Modus Construction Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Modus Construction 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 Modus Construction Limited. You consider that Modus Construction 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 Modus Construction 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.

.....  
PAW Consulting Limited  
Chartered Accountants  
Unit 2, City Limits  
Danehill  
Reading  
Berkshire  
RG6 4UP

14 May 2021

**Modus Construction Limited**  
**(Registration number: 07362317)**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	496,291	516,226
<b>Current assets</b>			
Stocks	<u>6</u>	750	750
Debtors	<u>7</u>	42,808	163,304
Cash at bank and in hand		318,958	380,169
		362,516	544,223
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	(216,179)	(328,242)
<b>Net current assets</b>		146,337	215,981
<b>Total assets less current liabilities</b>		642,628	732,207
<b>Provisions for liabilities</b>		(12,037)	(12,318)
<b>Net assets</b>		630,591	719,889
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		630,589	719,887
<b>Shareholders' funds</b>		630,591	719,889

**Modus Construction Limited**  
**(Registration number: 07362317)**  
**Balance Sheet as at 31 March 2021**

For the financial year ending 31 March 2021 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.

Approved and authorised by the Board on 14 May 2021 and signed on its behalf by:

.....

Mr Ian Badcock  
Director

# **Modus Construction Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

5-7 Norcot Road

Tilehurst

Reading

Berkshire

RG30 6BP

These financial statements were authorised for issue by the Board on 14 May 2021.

### **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.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the 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 and deferred 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.



## **Modus Construction Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and Buildings	2% Straight Line on Buildings
Plant & Machinery	25% Straight Line
Office Equipment	25% Straight Line
Motor Vehicles	25% Straight Line

#### **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	Over 5 years

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits.

## **Modus Construction Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **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. 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 at the transaction price.

#### **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 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.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 4 (2020 - 4).

## Modus Construction Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

#### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2020	300,000	300,000
At 31 March 2021	300,000	300,000
<b>Amortisation</b>		
At 1 April 2020	300,000	300,000
At 31 March 2021	300,000	300,000
<b>Carrying amount</b>		
At 31 March 2021	-	-

#### 5 Tangible assets

	Land and buildings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 April 2020	508,911	4,940	16,235	100,239	630,325
Additions	-	813	4,189	-	5,002
Disposals	-	-	-	(11,926)	(11,926)
At 31 March 2021	508,911	5,753	20,424	88,313	623,401
<b>Depreciation</b>					
At 1 April 2020	24,210	3,790	13,911	72,188	114,099
Charge for the year	8,301	666	2,022	13,947	24,936
Eliminated on disposal	-	-	-	(11,925)	(11,925)
At 31 March 2021	32,511	4,456	15,933	74,210	127,110
<b>Carrying amount</b>					
At 31 March 2021	476,400	1,297	4,491	14,103	496,291
At 31 March 2020	484,701	1,150	2,324	28,051	516,226

Included within the net book value of land and buildings above is £476,399 (2020 - £484,700) in respect of freehold land and buildings.

# **Modus Construction Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **6 Stocks**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other inventories	750	750

### **7 Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	33,237	154,078
Prepayments	9,571	9,076
Other debtors	-	150
	<u>42,808</u>	<u>163,304</u>

### **8 Creditors**

#### **Creditors: amounts falling due within one year**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Due within one year</b>			
Loans and borrowings	<u>9</u>	-	342
Trade creditors		43,261	56,270
Taxation and social security		29,565	90,700
Accruals and deferred income		2,741	3,953
Other creditors		<u>140,612</u>	<u>176,977</u>
		<u>216,179</u>	<u>328,242</u>

## **Modus Construction Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **9 Loans and borrowings**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Current loans and borrowings</b>		
Bank overdrafts	-	342

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

##### **Amounts not provided for in the balance sheet**

The total amount of financial commitments not included in the balance sheet is £Nil (2020 - £25,008).

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the Companies Act 2006.

