

# Boutique Modern Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 June 2022

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

# **Boutique Modern Limited**

## **Contents**

Company Information	<u>1</u>
Directors' Report	<u>2</u> to <u>4</u>
Balance Sheet	<u>5</u> to <u>6</u>
Notes to the Unaudited Financial Statements	<u>7</u> to <u>13</u>

# **Boutique Modern Limited**

## **Company Information**

**Chairman** N D Eckert

**Directors** G F Palmer  
R Shone  
L J P Shone

**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 2022**

The directors present their report and the financial statements for the year ended 30 June 2022.

### **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 - Chairman

### **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 2022**

#### **Statement from Dick Shone.**

This last year has been another huge step forward on the Boutique Modern journey. After 8 years of developing our bespoke technical specification and modular build process, we delivered [50] new homes and grew our revenues by 250% to £8.6 million. Despite the ongoing challenges of Covid-19, the supply chain shortages and yet more changes in Building Regulations, our factory in Newhaven is now running at full capacity with a strong order book for next year and beyond.

We started the year with the completion and handover of our Foundry project in Eastbourne, a development of 13 affordable apartments which incorporates our 'Fabric First' design principals. These include energy-reducing technologies which aim to reduce the annual costs of living for tenants. This project showcased all of the core values of the Boutique Modern business philosophy, delivering local, environmentally-friendly, quality, affordable housing.

During the year, we started work as the Main Contractor and supplier on our biggest project to date, a development of 40 affordable housing units in Peacehaven which is a showcase for the full suite of Boutique Modern's capabilities; from Main Contractor project management, design, site management and our core expertise of delivering cat-1 factory-built modular houses.

We finished the year with secured contracts in excess of £10 million and a strong pipeline of new potential projects, partly as a result of our strong relationship with Lewes District Council who have awarded us a five-year Modular Housing Framework contract. We share many of our core values with Lewes Council, in particular supporting the local community. Our mantra remains "For Local, by Local"; local housing built by local people.

We are particularly proud this year to have been accredited as the first Certified B Corporation in the UK construction industry. B Corp status is a global accreditation certifying companies that meet the very highest standards of verified social and environmental excellence and public transparency and accountability. This sought-after accreditation is a valuable reward for the hard work and unrelenting commitment the Boutique Modern team has put into the development of its business model over the last 8 years.

We are not resting on our laurels however and, against the backdrop of climate change, the housing shortage and the cost of living crisis, we continue to research and evolve our build system, supply chains and designs. Our mission is to maximise quality of living whilst minimising cost of living and to achieve this our processes must be robust enough to be replicable but flexible enough to future proof Boutique Modern against the fast-changing nature of our industry.

Modular housing construction is now being championed by both industry and political commentators as a key driver of solutions for both housing shortages and climate change. I believe we are now one of the best positioned businesses in the UK to deliver these solutions.

# **Boutique Modern Limited**

## **Directors' Report for the Year Ended 30 June 2022**

### **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 24 March 2023 and signed on its behalf by:

.....  
R Shone  
Director

.....  
N D Eckert  
Chairman

**Boutique Modern Limited**  
**(Registration number: 07362460)**  
**Balance Sheet as at 30 June 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	71,992	50,361
<b>Current assets</b>			
Stocks	<u>6</u>	169,491	108,788
Debtors	<u>7</u>	1,493,550	816,598
		1,663,041	925,386
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	(3,418,105)	(2,177,266)
<b>Net current liabilities</b>		(1,755,064)	(1,251,880)
<b>Total assets less current liabilities</b>		(1,683,072)	(1,201,519)
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	(2,715,821)	(2,723,821)
<b>Net liabilities</b>		(4,398,893)	(3,925,340)
<b>Capital and reserves</b>			
Called up share capital		1,316	1,316
Share premium reserve		300	300
Retained earnings		(4,400,509)	(3,926,956)
Shareholders' deficit		(4,398,893)	(3,925,340)

For the financial year ending 30 June 2022 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

**Boutique Modern Limited**  
**(Registration number: 07362460)**  
**Balance Sheet as at 30 June 2022**

Approved and authorised by the Board on 24 March 2023 and signed on its behalf by:

.....

R Shone

Director

.....

N D Eckert

Chairman



# **Boutique Modern Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022**

### **1 General information**

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### **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 2022**

#### **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 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>
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.

## Boutique Modern Limited

### Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

#### 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.

#### 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 51 (2021 - 37).

#### 4 Taxation charge

The tax for the period is attributable to:	<b>2021</b>
	<b>£</b>
<b>Current Tax</b>	
UK corporation tax	(106,464)
UK corporation tax adjustment to prior periods	<u>(84,602)</u>
Total current tax charge	<u>(191,066)</u>
Total tax charge for period	<u><u>(191,066)</u></u>

# Boutique Modern Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

### 5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 July 2021	89,603	-	89,603
Additions	41,869	8,895	50,764
At 30 June 2022	131,472	8,895	140,367
<b>Depreciation</b>			
At 1 July 2021	39,242	-	39,242
Charge for the year	27,354	1,779	29,133
At 30 June 2022	66,596	1,779	68,375
<b>Carrying amount</b>			
At 30 June 2022	64,876	7,116	71,992
At 30 June 2021	50,361	-	50,361

### 6 Stocks

	2022 £	2021 £
Other inventories	169,491	108,788

### 7 Debtors

	2022 £	2021 £
<b>Current</b>		
Trade debtors	549,341	248,719
Prepayments	127,264	110,784
Other debtors	816,945	457,095
	1,493,550	816,598

### 8 Creditors

Creditors: amounts falling due within one year

# Boutique Modern Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

	Note	2022 £	2021 £
<b>Due within one year</b>			
Loans and borrowings	<u>9</u>	183,245	191,651
Trade creditors		526,455	322,876
Taxation and social security		154,437	96,936
Accruals and deferred income		2,498,176	1,517,415
Other creditors		<u>55,792</u>	<u>48,388</u>
		<u>3,418,105</u>	<u>2,177,266</u>

# Boutique Modern Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
<b>Due after one year</b>			
Loans and borrowings	9	<u>2,715,821</u>	<u>2,723,821</u>

### 9 Loans and borrowings

	2022 £	2021 £
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>2,715,821</u>	<u>2,723,821</u>

	2022 £	2021 £
<b>Current loans and borrowings</b>		
Bank overdrafts	149,802	158,208
Other borrowings	<u>33,443</u>	<u>33,443</u>
	<u>183,245</u>	<u>191,651</u>

### 10 Related party transactions

Transactions with directors

	At 1 July 2021 £	Other payments made to company by director £	At 30 June 2022 £
<b>2022</b>			
<b>N D Eckert</b>			
Loan	(2,636,766)	-	(2,636,766)
	<u></u>	<u></u>	<u></u>
<b>R Shone</b>			
Loan	(64,223)	-	(64,223)
	<u></u>	<u></u>	<u></u>

# Boutique Modern Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

	At 1 July 2020 £	Other payments made to company by director £	At 30 June 2021 £
<b>2021</b>			
<b>N D Eckert</b>			
Loan	(1,989,766)	(647,000)	(2,636,766)
<b>R Shone</b>			
Loan	(39,223)	(25,000)	(64,223)

### Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £	2021 £
Remuneration	225,494	217,324
Contributions paid to money purchase schemes	3,963	3,943
	<u>229,457</u>	<u>221,267</u>

### Expenditure with and payables to related parties

	Key management £
<b>2022</b>	
Amounts payable to related party	<u>188,075</u>
	Key management £
<b>2021</b>	
Amounts payable to related party	<u>147,496</u>

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.