

Registration number: 04367457

# Dynamo Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 30 June 2021



# **Dynamo Limited**

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# Dynamo Limited

**(Registration number: 04367457)**  
**Balance Sheet as at 30 June 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	30,476	31,877
<b>Current assets</b>			
Debtors	5	252,488	197,288
Cash at bank and in hand		<u>121,172</u>	<u>91,302</u>
		373,660	288,590
<b>Creditors: Amounts falling due within one year</b>	6	<u>(301,263)</u>	<u>(308,863)</u>
<b>Net current assets/(liabilities)</b>		<u>72,397</u>	<u>(20,273)</u>
<b>Total assets less current liabilities</b>		102,873	11,604
<b>Creditors: Amounts falling due after more than one year</b>	6	(42,094)	(808)
<b>Provisions for liabilities</b>		<u>(5,891)</u>	<u>(4,557)</u>
<b>Net assets</b>		<u><u>54,888</u></u>	<u><u>6,239</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	400	400
Profit and loss account		<u>54,488</u>	<u>5,839</u>
<b>Total equity</b>		<u><u>54,888</u></u>	<u><u>6,239</u></u>

The notes on pages 3 to 8 form an integral part of these financial statements.  
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## **Dynamo Limited**

**(Registration number: 04367457)**  
**Balance Sheet as at 30 June 2021**

For the financial year ending 30 June 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 and 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.

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 25/2/22 and signed on its behalf by:



S G Richards

Director

The notes on pages 3 to 8 form an integral part of these financial statements.

# **Dynamo Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2021**

### **1. General information**

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

The address of its registered office is:

Insight House  
Riverside Business Park  
Stoney Common Road  
Stansted Mountfitchet  
Essex  
CM24 8PL

### **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 in accordance with applicable United Kingdom accounting standards, including section 1A of Financial Reporting Standard 102 - 'The Financial Reporting standard applicable in the United Kingdom and Republic of Ireland FRS 102 1A, and with the Companies Act 2006.

#### **Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historic experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### **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.

## **Dynamo Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **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 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.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **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 over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Computer Equipment	33% straight line
Fixtures, fittings & equipment	33% straight line
Motor Vehicles	25% straight line
Lease Improvements	10% straight line

## **Dynamo Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **Financial instruments**

##### ***Classification***

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets are classified as financial assets at fair value through profit or loss, loans and debtors, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other creditors, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

##### ***Recognition and measurement***

All financial instruments are recognised initially at fair value plus transaction costs. Thereafter financial instruments are stated at amortised cost using the effective interest rate method (less impairment where appropriate) unless the effect of discounting would be immaterial in which case they are stated at cost (less impairment where appropriate). The exception to this are those financial instruments where it is a requirement to continue recording them at fair value through profit and loss.

##### ***Impairment***

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

#### **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 and other debtors**

Trade and other 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 and other creditors**

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

## **Dynamo Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **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.

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

#### **Defined contribution pension obligation**

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 15 (2020 - 15).



## Dynamo Limited

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### 4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Lease improvements £	Total £
<b>Cost or valuation</b>				
At 1 July 2020	107,018	36,150	6,951	150,119
Additions	19,560	-	-	19,560
At 30 June 2021	<u>126,578</u>	<u>36,150</u>	<u>6,951</u>	<u>169,679</u>
<b>Depreciation</b>				
At 1 July 2020	90,852	26,744	646	118,242
Charge for the year	11,175	9,091	695	20,961
At 30 June 2021	<u>102,027</u>	<u>35,835</u>	<u>1,341</u>	<u>139,203</u>
<b>Carrying amount</b>				
At 30 June 2021	<u>24,551</u>	<u>315</u>	<u>5,610</u>	<u>30,476</u>
At 30 June 2020	<u>16,166</u>	<u>9,406</u>	<u>6,305</u>	<u>31,877</u>

#### 5 Debtors

	2021 £	2020 £
Trade debtors	199,808	173,953
Prepayments	52,680	23,335
	<u>252,488</u>	<u>197,288</u>

#### 6 Creditors

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

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings	7	8,713	9,674
Trade creditors		71,076	138,535
Other taxation and social security		86,425	99,852
Other creditors		102,412	45,093
Corporation tax		32,637	15,709
		<u>301,263</u>	<u>308,863</u>
<b>Due after one year</b>			
Loans and borrowings	7	<u>42,094</u>	<u>808</u>

# Dynamo Limited

## Notes to the Financial Statements for the Year Ended 30 June 2021

### 7 Loans and borrowings

	2021 £	2020 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	42,094	-
Finance lease liabilities	-	808
	<u>42,094</u>	<u>808</u>

	2021 £	2020 £
<b>Current loans and borrowings</b>		
Bank borrowings	7,906	-
Finance lease liabilities	807	9,674
	<u>8,713</u>	<u>9,674</u>

### 8 Financial commitments, guarantees and contingencies

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

The total amount of financial commitments in respect of operating leases not included in the balance sheet is £311,500 (2020 - £353,500).

### 9 Share capital

#### Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	320	320	320	320
Ordinary B shares of £1 each	80	80	80	80
	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>