

Dreamsport Limited

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

RWB CA Limited
Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ

Dreamsport Limited

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Dreamsport Limited

Company Information

Directors
Mr M A Hay
Mr R W Bradley
Mr J W R Clayfield
Mr A J Dyer
Mr J Middleton

Registered office
84 Friar Lane
Nottingham
NG1 6ED

Accountants
RWB CA Limited
Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ

Dreamsport Limited
(Registration number: 06666195)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>5</u>	882,467	515,209
Tangible assets	<u>6</u>	98,215	65,620
Investments	<u>7</u>	100	100
		<u>980,782</u>	<u>580,929</u>
Current assets			
Stocks	<u>8</u>	2,450,917	2,468,116
Debtors	<u>9</u>	1,397,194	620,398
Cash at bank and in hand		<u>172,246</u>	<u>140,243</u>
		4,020,357	3,228,757
Creditors: Amounts falling due within one year	<u>10</u>	<u>(5,030,415)</u>	<u>(3,938,235)</u>
Net current liabilities		<u>(1,010,058)</u>	<u>(709,478)</u>
Total assets less current liabilities		(29,276)	(128,549)
Creditors: Amounts falling due after more than one year	<u>10</u>	<u>(3,520,298)</u>	<u>(1,931,198)</u>
Net liabilities		<u><u>(3,549,574)</u></u>	<u><u>(2,059,747)</u></u>
Capital and reserves			
Called up share capital		266	241
Share premium reserve		8,663,107	7,377,843
Profit and loss account		<u>(12,212,947)</u>	<u>(9,437,831)</u>
Total equity		<u><u>(3,549,574)</u></u>	<u><u>(2,059,747)</u></u>

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.

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 24 December 2019 and signed on its behalf by:

.....

Mr M A Hay
Director

The notes on pages 3 to 11 form an integral part of these financial statements.

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Dreamsport Limited

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

1 General information

The company changed its name from Playerlayer Limited by special resolution on 5th July 2018.

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

The address of its registered office is:

84 Friar Lane
Nottingham
NG1 6ED

The principal place of business is:

37 Canal Street
Nottingham
NG1 7EG

These financial statements were authorised for issue by the Board on 24 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.

Going concern

The financial statements have been prepared on a going concern basis, despite having net liabilities of £3,549,574, as the directors have indicated their willingness to support the company over the next twelve months. The company has successfully completed a significant equity raise in 2018/19 to support the ongoing growth of the business.

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.

Dreamsport Limited

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

Foreign currency transactions and balances

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Tax

The tax expense for the period comprises 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.

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 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.

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
Leasehold property	Over the period of the lease
Equipment, fixtures and fittings	25% straight line
Plant and machinery	25% straight line
Computer equipment	25% straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Dreamsport Limited

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

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired on business combinations are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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:

Asset class	Amortisation method and rate
Website	25% straight line
Development expenditure	25% straight line

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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. 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.

Dreamsport Limited

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

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.

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 Exceptional items

During the year £377,818 (2018: £345,730) of expenditure of exceptional size or incidence were recorded.

4 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 55 (2018 - 51).

Dreamsport Limited

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

5 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 1 April 2018	647,388	647,388
Additions acquired separately	449,550	449,550
	<hr/>	<hr/>
At 31 March 2019	1,096,938	1,096,938
	<hr/>	<hr/>
Amortisation		
At 1 April 2018	132,179	132,179
Amortisation charge	82,292	82,292
	<hr/>	<hr/>
At 31 March 2019	214,471	214,471
	<hr/>	<hr/>
Carrying amount		
At 31 March 2019	882,467	882,467
	<hr/>	<hr/>
At 31 March 2018	515,209	515,209
	<hr/>	<hr/>

6 Tangible assets

	Land and buildings £	Other tangible assets £	Total £
Cost or valuation			
At 1 April 2018	1,800	174,867	176,667
Additions	-	72,585	72,585
Disposals	-	(776)	(776)
	<hr/>	<hr/>	<hr/>
At 31 March 2019	1,800	246,676	248,476
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2018	1,800	109,247	111,047
Charge for the year	-	39,390	39,390
Eliminated on disposal	-	(176)	(176)
	<hr/>	<hr/>	<hr/>
At 31 March 2019	1,800	148,461	150,261
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2019	-	98,215	98,215
	<hr/>	<hr/>	<hr/>
At 31 March 2018	-	65,620	65,620
	<hr/>	<hr/>	<hr/>

Included within the net book value of land and buildings above is £Nil (2018 - £Nil) in respect of short leasehold land and

buildings.

Dreamsport Limited

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

7 Investments

	2019 £	2018 £
Investments in subsidiaries	<u>100</u>	<u>100</u>
Subsidiaries		£
Cost or valuation		
At 1 April 2018		<u>100</u>
Provision		
Carrying amount		
At 31 March 2019		<u>100</u>
At 31 March 2018		<u>100</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
PlayerLayer Limited	England and Wales	Ordinary shares	100%	100%

Subsidiary undertakings

PlayerLayer Limited

The principal activity of PlayerLayer Limited is dormant.

8 Stocks

	2019 £	2018 £
Finished goods and goods for resale	<u>2,450,917</u>	<u>2,468,116</u>

Dreamsport Limited

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

9 Debtors

	2019 £	2018 £
Trade debtors	848,926	364,856
Prepayments	548,268	196,742
Other debtors	-	58,800
	<u>1,397,194</u>	<u>620,398</u>

10 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	<u>11</u>	1,011,099	421,998
Trade creditors		1,279,726	1,335,412
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>14</u>	1,555,692	1,495,224
Taxation and social security		282,838	74,972
Other creditors		901,060	610,629
		<u>5,030,415</u>	<u>3,938,235</u>

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	<u>11</u>	<u>3,520,298</u>	<u>1,931,198</u>

Dreamsport Limited

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

11 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	338,755	389,423
Bank overdrafts	-	13,108
Other borrowings	672,344	19,467
	<u>1,011,099</u>	<u>421,998</u>

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	-	23,346
Other borrowings	3,520,298	1,907,852
	<u>3,520,298</u>	<u>1,931,198</u>

Secured Liabilities

Included within borrowings is £338,755 (2018: £238,455) which is secured against the company's trade debtors.

Loans, borrowings and other creditors of £2,529,133 (2018: £2,909,595) are secured by a fixed and floating charge over the company's assets.

12 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary Shares of £0.01 each	26,636	266.36	24,058	240.58

New shares allotted

During the year 2,578 Ordinary Shares having an aggregate nominal value of £125 were allotted for an aggregate consideration of £1,285,289.

Dreamsport Limited

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

Shares reserved for issue

Ordinary Shares

Dreamsport Limited offered shares to their employees through an EMI scheme. Through this 560 shares have been authorised, but are yet to be called up.

The number of shares reserved for issue is 560.

13 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 £112,000 (2018 - £180,777).

14 Related party transactions

The company remunerates the directors with a combination of salary and pension contributions, all of which are deemed to be within the normal course of business.

15 Parent and ultimate parent undertaking

The ultimate controlling party is Mr J Middleton.

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