
DAUNTLESS AGENCY LTD

**UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2019**



DAUNTLESS AGENCY LTD
REGISTERED NUMBER: 08401138

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	3	198	223
Tangible assets	4	2,564	17,126
		<u>2,762</u>	<u>17,349</u>
Current assets			
Debtors: amounts falling due after more than one year	5	124,290	-
Debtors: amounts falling due within one year	5	248,313	699,753
Cash at bank and in hand		49,804	59,715
		<u>422,407</u>	<u>759,468</u>
Creditors: amounts falling due within one year	6	(732,107)	(1,261,420)
Net current liabilities		<u>(309,700)</u>	<u>(501,952)</u>
Total assets less current liabilities		<u>(306,938)</u>	<u>(484,603)</u>
Creditors: amounts falling due after more than one year	7	(572,172)	-
Net liabilities		<u>(879,110)</u>	<u>(484,603)</u>
Capital and reserves			
Called up share capital		380	380
Profit and loss account		(879,490)	(484,983)
		<u>(879,110)</u>	<u>(484,603)</u>

DAUNTLESS AGENCY LTD
REGISTERED NUMBER: 08401138

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

RAN OREN
RAN OREN (Jun 24, 2021 18:38 GMT+1)

R Oren
Director

Date: Jun 24, 2021

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

DAUNTLESS AGENCY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Dauntless Agency Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 86 - 90 Paul Street, London, England, EC2A 4NE.

The company changed its reporting period in the prior year to 31 December 2018. Therefore the prior year covers the period from 1 April 2018 to 31 December 2018. As a result, the comparative amounts, which relate to a period of 9 months, are not entirely comparable.

The company's principal activity is that of information technology service activities.

The average monthly number of employees for the period, including the directors, was 37 (period ended 31 December 2018: 37).

The company entered into a Company Voluntary Arrangement with its creditors on 6 June 2019 (see note 8). The director believes that there is a reasonable prospect that the company will continue to trade and have prepared the accounts under the going concern basis accordingly.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The director considers the going concern basis to be appropriate having considered the company's projected results during the twelve months from the date the financial statements are being approved and the anticipated cash flows, availability of bank facilities and mitigating actions that can be taken during that period. That being said, the impact of the COVID-19 epidemic on the company is not yet calculable. COVID-19 has had an impact on the company and on the economy in general. In particular, the pace with which decisions are being made by customers has rapidly decreased, impacting the company's ability to obtain new orders. Key to this is that the market as a whole is having to move their infrastructure from a centrally based headquarters to an employee base that is working remotely from their homes. This has proven to take precedence over any other investment activities.

The director and management continue to evaluate the impact of COVID-19 on the company on an ongoing basis.

The company entered into a Company Voluntary Arrangement with its creditors on 6 June 2019 (see note 8). However, the director remains confident that the company will be able to continue to operate and therefore has prepared the accounts on a going concern basis.

DAUNTLESS AGENCY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

DAUNTLESS AGENCY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

DAUNTLESS AGENCY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	Not depreciated
Motor vehicles	-	20% straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets (or CGU's) are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

DAUNTLESS AGENCY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Intangible assets

	Trademarks £
Cost	
At 1 January 2019	248
At 31 December 2019	<u>248</u>
Amortisation	
At 1 January 2019	25
Charge for the year on owned assets	25
At 31 December 2019	<u>50</u>
Net book value	
At 31 December 2019	<u>198</u>
At 31 December 2018	<u>223</u>

DAUNTLESS AGENCY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. Tangible fixed assets

	Leasehold improvements £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2019	3,880	8,543	33,526	45,949
Disposals	(3,880)	(8,543)	-	(12,423)
At 31 December 2019	-	-	33,526	33,526
Depreciation				
At 1 January 2019	-	2,672	26,151	28,823
Charge for the year on owned assets	-	927	4,811	5,738
Disposals	-	(3,599)	-	(3,599)
At 31 December 2019	-	-	30,962	30,962
Net book value				
At 31 December 2019	-	-	2,564	2,564
At 31 December 2018	3,880	5,871	7,375	17,126

DAUNTLESS AGENCY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	124,290	-
	<u>124,290</u>	<u>-</u>
Due within one year		
Trade debtors	165,314	393,665
Amounts owed by group undertakings	-	108,934
Other debtors	25,040	194,111
Prepayments and accrued income	2,225	3,043
Tax recoverable	55,734	-
	<u>248,313</u>	<u>699,753</u>

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	-	14,014
Loans	189,487	302,113
Amounts owed under Company Voluntary Arrangement (see note 8)	143,040	-
Trade creditors	234,312	340,306
Corporation tax	23,622	49,064
Other taxation and social security	94,562	292,668
Other creditors	38,740	16,030
Accruals and deferred income	8,344	247,225
	<u>732,107</u>	<u>1,261,420</u>

There are fixed and floating charges held over all the assets and undertakings of the company in relation to the loan balance. Interest is charged on this loan at 0.83% per month.

DAUNTLESS AGENCY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Amounts owed under Company Voluntary Arrangement	<u>572,172</u>	<u>-</u>

The company entered into a Company Voluntary Arrangement with its creditors on 6 June 2019. The director believes that there is a reasonable prospect that the company will continue to trade and have prepared the accounts under the going concern basis accordingly.

Under this arrangement, the company has made a one-off payment of £100,000 during the year and is due to make 60 monthly repayments of £11,920. By 31 December 2019, 5 of these monthly repayments had been made.

On 1 April 2021, the supervisors of the Company Voluntary Arrangement arranged a virtual meeting of creditors, where the creditors reviewed a variation to the Company Voluntary Arrangement, following a revision to the amount of liabilities in the original proposal. After which the creditors voted for the CVA to continue with contributions as originally proposed with ongoing annual reviews.

8. Reserves

Profit and loss account

There were no dividends paid in the year ended 31 December 2019.

In the period ended 31 March 2018, there were dividends paid of £13,724.

9. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund during the period and amounted to £24,588 (period to 31 December 2018: £15,272). Contributions totalling £38,740 (31 December 2018: £14,372) were payable to the fund at the reporting date and are included in other creditors.

10. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	61,185	-
Later than 1 year and not later than 5 years	6,412	-
	<u>67,597</u>	<u>-</u>

DAUNTLESS AGENCY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. Related party transactions

During the period, Dauntless Agency Ltd recharged £734,524 (2018: £1,144,652) to a company under common control and received repayments totalling £830,224 (2018: £1,006,653) in respect of these costs. Of the balance owed to the company at 31 December 2018, £103,630 was written off to Bad debts within Administrative expenses on the basis that it was not recoverable. At 31 December 2019, a credit balance of £200 was written off to Bad debts within Administrative expenses on the basis it was not payable. This left a balance due to Dauntless Agency Ltd of £Nil (2018: 95,500) at 31 December 2019.

During the period, Dauntless Agency Ltd recharged £1,746 (2018: £4,174) to a subsidiary company and received repayments totalling £14,477 (2018: £2,000) in respect of these costs. Of the balance owed to the company at the period end, £703 (2018: £6,407) was written off to Bad debts within Administrative expenses on the basis that it was not recoverable. This left a balance due to Dauntless Agency Ltd of £Nil at 31 December 2019 (2018: £13,434).

At the period end there was a total balance of loans owed to the company from shareholders totalling £139,686 (2018: £155,703). The terms of these loans were amended on 6 June 2019 so that they are no longer repayable on demand. From this date, the loans have been subject to interest at 6% due to be repaid by 2030, 2035 and 2036. During the 2019 year, repayments totalling £20,808 were made against the loans from shareholders. The balance of these loans is split between Other debtors within Debtor due within one year and Debtors due after more than one year.