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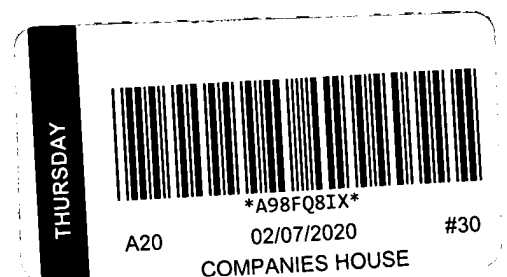
**ABC Dynamics Ltd**

**Unaudited**

**Director's report and financial statements**

For the year ended 31 December 2019

Registered number: 08549759



**Company Information**

Director	Salam Alaswad
Company secretary	St James's Corporate Services Limited
Registered number	08549759
Registered office	4th Floor 18 St. Cross Street London EC1N 8UN

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## Director's report

For the year ended 31 December 2019

The director presents his report and the financial statements of ABC Dynamics Limited ('the company') for the year ended 31 December 2019.

### Director

The director who served during the year was:

Salam Alaswad

### Impact of COVID-19

The director of the company has considered the impact of the current COVID-19 pandemic on the company's operations, with a particular focus on its effect on its customers and suppliers.

The director does not consider this to be cause for a material uncertainty in respect of the company's ability to continue as a going concern. The company has adapted well, successfully employing contingency plans, and he considers that the company has sufficient financial resources to continue for the foreseeable future, despite the current crisis.

### Small companies exemption

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 June 2020 and signed on its behalf.



**Salam Alaswad**  
Director

**Chartered accountants' report to the director on the preparation of the unaudited statutory financial statements of ABC Dynamics Ltd for the year ended 31 December 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of ABC Dynamics Ltd for the year ended 31 December 2019 which comprise the Statement of comprehensive income, the Statement of financial position and the related notes 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/en/members/regulations-standards-and-guidance/>.

This report is made solely to the director of ABC Dynamics Ltd in accordance with the terms of our engagement letter dated 13 February 2018. Our work has been undertaken solely to prepare for your approval the financial statements of ABC Dynamics Ltd and state those matters that we have agreed to state to the director of ABC Dynamics Ltd in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ABC Dynamics Ltd and its director for our work or for this report.

It is your duty to ensure that ABC Dynamics Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of ABC Dynamics Ltd. You consider that ABC Dynamics Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of ABC Dynamics Ltd. 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 financial statements.



**Buzzacott LLP**  
130 Wood Street  
London  
EC2V 6DL  
30 June 2020

## Statement of comprehensive income

For the year ended 31 December 2019

	2019 £	2018 £
Turnover	77,666	98,271
<b>Gross profit</b>	<b>77,666</b>	<b>98,271</b>
Administrative expenses	(61,321)	(144,507)
<b>Operating profit/(loss)</b>	<b>16,345</b>	<b>(46,236)</b>
Tax (charge)/credit	(2,779)	23,011
<b>Profit/(loss) for the financial year</b>	<b>13,566</b>	<b>(23,225)</b>

There was no other comprehensive income for 2019 or 2018.

The notes on pages 5 to 12 form part of these financial statements.

## Statement of financial position

As at 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	4	605	-
Tangible assets	5	3,631	-
		<u>4,236</u>	<u>-</u>
<b>Current assets</b>			
Debtors	6	22,341	30,924
Cash at bank and in hand		77,360	64,858
		<u>99,701</u>	<u>95,782</u>
Creditors: amounts falling due within one year	7	(2,718)	(8,129)
<b>Net current assets</b>		<u>96,983</u>	<u>87,653</u>
<b>Total assets less current liabilities</b>		<u>101,219</u>	<u>87,653</u>
<b>Net assets</b>		<u>101,219</u>	<u>87,653</u>
<b>Capital and reserves</b>			
Called up share capital		200,001	200,001
Profit and loss account		(98,782)	(112,348)
		<u>101,219</u>	<u>87,653</u>

The director considers 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 director acknowledges his 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 were approved and authorised for issue by the board and were signed on its behalf on 30 June 2020.



**Salam Alaswad**  
Director

## Notes to the financial statements

For the year ended 31 December 2019

### 1. General information

ABC Dynamics Ltd is a private company limited by shares and was incorporated in England and Wales with the registered number 08549759. The address of the company's registered office is 4th Floor, 18 St. Cross Street, London, EC1N 8UN and the principal place of business is 30th Floor, 40 Bank Street, Canary Wharf, London, E14 5NR.

### 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 Republic of Ireland' and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The director has considered the impact of the current COVID-19 pandemic on the company's operations, with a particular focus on its effect on its customers and suppliers.

The director does not consider this to be cause for a material uncertainty in respect of the company's ability to continue as a going concern. The company has adapted well, successfully employing contingency plans, and he considers that the company has sufficient financial resources to continue for the foreseeable future, despite the current crisis. Therefore the financial statements have been prepared and the going concern basis.

#### 2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Turnover 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 turnover 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 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.



## Notes to the financial statements

For the year ended 31 December 2019

### 2. Accounting policies (continued)

#### 2.5 Financial instruments

The company only enters into transactions that result in the recognition of basic financial instruments like trade and other debtors and creditors and loans to/from related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

#### 2.6 Creditors

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

#### 2.7 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'interest receivable or payable'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

## Notes to the financial statements

For the year ended 31 December 2019

### 2. Accounting policies (continued)

#### 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 the Statement of comprehensive income when they fall due. Amounts not paid are shown in other creditors 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 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### 2.10 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.

The estimated useful lives range as follows:

Software	-	3	years
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## Notes to the financial statements

For the year ended 31 December 2019

### 2. Accounting policies (continued)

#### 2.11 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.

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:

Office equipment	-	33%
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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 the Statement of comprehensive income.

### 3. Employees

The average monthly number of employees, including the director, during the year was 1 (2018 - 1).

## Notes to the financial statements

For the year ended 31 December 2019

### 4. Intangible assets

	Software development £	Computer software £	Total £
<b>Cost</b>			
At 1 January 2019	50,000	-	50,000
Additions	-	660	660
Disposals	(50,000)	-	(50,000)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	-	660	660
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 January 2019	50,000	-	50,000
Charge for the year	-	55	55
On disposals	(50,000)	-	(50,000)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	-	55	55
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2019	-	605	605
	<hr/>	<hr/>	<hr/>

## Notes to the financial statements

For the year ended 31 December 2019

### 5. Tangible fixed assets

	Office equipment £
<b>Cost or valuation</b>	
Additions	3,855
At 31 December 2019	<u>3,855</u>
<b>Depreciation</b>	
Charge for the year	224
At 31 December 2019	<u>224</u>
<b>Net book value</b>	
At 31 December 2019	<u><u>3,631</u></u>
At 31 December 2018	<u><u>-</u></u>

## Notes to the financial statements

For the year ended 31 December 2019

### 6. Debtors

	2019 £	2018 £
Trade debtors	695	-
Other debtors	1,414	7,913
Deferred taxation	20,232	23,011
	<u>22,341</u>	<u>30,924</u>

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

	2019 £	2018 £
Trade creditors	468	48
Other taxation and social security	-	5,647
Other creditors	-	190
Accruals and deferred income	2,250	2,244
	<u>2,718</u>	<u>8,129</u>

### 8. Deferred taxation

	2019 £
At beginning of year	23,011
Charged to profit or loss	(2,779)
<b>At end of year</b>	<u><b>20,232</b></u>
	2019 £
Tax losses carried forward	20,232
	<u><b>20,232</b></u>

### 9. Contingent liabilities

There were no contingent liabilities at 31 December 2019 or 31 December 2018.

## **Notes to the financial statements**

For the year ended 31 December 2019

### **10. Capital commitments**

The company had no capital commitments at 31 December 2019 or 31 December 2018.

### **11. Related party transactions**

During the year, the director received remuneration of £35,000 (2018: £38,462).