

COMPANY REGISTRATION NUMBER: 10684950

**Airflo Dynamics Ltd**

**Filleted Unaudited Financial Statements**

**31 March 2021**

# **Airflo Dynamics Ltd**

## **Financial Statements**

**Year ended 31 March 2021**

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# **Airflo Dynamics Ltd**

## **Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Airflo Dynamics Ltd**

**Year ended 31 March 2021**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Airflo Dynamics Ltd for the year ended 31 March 2021, which comprise 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 [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance). This report is made solely to the Board of Directors of Airflo Dynamics Ltd, as a body, in accordance with the terms of our engagement letter dated 8 April 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Airflo Dynamics Ltd and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Airflo Dynamics Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Airflo 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 Airflo Dynamics Ltd. You consider that Airflo Dynamics Ltd is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Airflo 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.

HEBBLETHWAITES Chartered Accountants

2 Westbrook Court Sharrow Vale Road Sheffield S11 8YZ

7 October 2021

# Airflo Dynamics Ltd

## Statement of Financial Position

31 March 2021

		2021	2020
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	6	77,849	54,681
<b>Current assets</b>			
Stocks		21,911	13,371
Debtors	7	60,080	60,642
Cash at bank and in hand		1,550	1,346
		83,541	75,359
<b>Creditors: amounts falling due within one year</b>	8	86,672	91,125
<b>Net current liabilities</b>		3,131	15,766
<b>Total assets less current liabilities</b>		74,718	38,915
<b>Creditors: amounts falling due after more than one year</b>	9	63,855	26,417
<b>Provisions</b>		6,955	3,290
<b>Net assets</b>		3,908	9,208

# Airflo Dynamics Ltd

## Statement of Financial Position *(continued)*

31 March 2021

	Note	2021 £	2020 £
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		3,808	9,108
		-----	-----
<b>Shareholders funds</b>		3,908	9,208
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 March 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 5 October 2021 , and are signed on behalf of the board by:

Mr S Smith

Director

Company registration number: 10684950

# Airflo Dynamics Ltd

## Notes to the Financial Statements

Year ended 31 March 2021

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Prospect House, 4 Old Station Close, Shepshed, Leicestershire, LE12 9NJ.

### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

At the date of the approval of these financial statements, the global pandemic of the novel coronavirus, COVID-19, creates an underlying uncertainty for any business entity and the impact of the virus on the company is unknown and cannot be forecast with any certainty. The company is taking whatever action is seen to be appropriate and is in accordance with Government guidelines. The directors consider that the going concern basis is appropriate.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of management, there are no areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements, other than those highlighted below.

#### Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

#### Research and development

Research and development expenditure is written off as incurred.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	33% straight line
Motor vehicles	-	33% reducing balance

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

## **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

## **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the performance model. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

## **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## **Financial instruments**

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.

### **4. Government grant income**

Income received from Government grants is in respect of the Coronavirus Job Retention Scheme and the Small Business Grant Fund.

### **5. Employee numbers**

The average number of persons employed by the company during the year amounted to 2 (2020: 2 ).

## 6. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2020	46,862	815	30,806	78,483
Additions	20,984	2,855	24,750	48,589
Disposals	—	—	( 15,790)	( 15,790)
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<b>At 31 March 2021</b>	<b>67,846</b>	<b>3,670</b>	<b>39,766</b>	<b>111,282</b>
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<b>Depreciation</b>				
At 1 April 2020	12,020	762	11,020	23,802
Charge for the year	7,902	713	6,006	14,621
Disposals	—	—	( 4,990)	( 4,990)
	-----	-----	-----	-----
<b>At 31 March 2021</b>	<b>19,922</b>	<b>1,475</b>	<b>12,036</b>	<b>33,433</b>
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<b>Carrying amount</b>				
<b>At 31 March 2021</b>	<b>47,924</b>	<b>2,195</b>	<b>27,730</b>	<b>77,849</b>
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At 31 March 2020	34,842	53	19,786	54,681
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### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £	Motor vehicles £	Total £
<b>At 31 March 2021</b>	<b>12,453</b>	<b>27,730</b>	<b>40,183</b>
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At 31 March 2020	—	11,020	11,020
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## 7. Debtors

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Trade debtors	49,379	56,835
Other debtors	10,701	3,807
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	<b>60,080</b>	<b>60,642</b>
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## 8. Creditors: amounts falling due within one year

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Bank loans and overdrafts	4,167	6,371
Trade creditors	36,136	58,468
Social security and other taxes	7,223	7,100
Commercial card	1,500	—
Other creditors	37,646	19,186
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	<b>86,672</b>	<b>91,125</b>
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Hire purchase creditors of £27,940 (2020 £12,666) are secured against the relevant asset.

## 9. Creditors: amounts falling due after more than one year

<b>2021</b>	<b>2020</b>
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	£	£
Bank loans and overdrafts	45,833	—
Other creditors	18,022	26,417
	<u>63,855</u>	<u>26,417</u>

Included within creditors: amounts falling due after more than one year is an amount of £23,611 (2020: £Nil) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Hire purchase creditors of £17,740 (2020 £8,385) are secured against the relevant asset.

#### **10. Research and development**

During the year the company incurred research and development costs.

#### **11. Directors' advances, credits and guarantees**

The company was under the control of Mr S Smith and Mrs N Smith, by virtue of their directorships and ownership of 100% of the share capital. Included in other creditors at the year end date was a loan from Mr S Evershed, a director, amounting to £282 (2020 £18,032), which is due in a period of greater than one year. The loan is interest free and carries no formal repayment terms.

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.