

Registration number: 03901838

Dynamometer Services Group Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2017

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COMPANIES HOUSE

Ballard Dale Syree Watson LLP
Chartered Accountants
Oakmoore Court
11 C Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Dynamometer Services Group Limited

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Dynamometer Services Group Limited

Company Information

| | |
|--------------------------|-------------------------------|
| Directors | Mr G Atkins |
| | Mr J Derrett |
| | Mr C R Marquet |
| | Mr C E Marquet |
| | Mr S Borghi |
| Registered office | Stock End |
| | Bransford |
| | Worcester |
| | WR6 5JH |
| Auditors | Ballard Dale Syree Watson LLP |
| | Chartered Accountants |
| | Oakmoore Court |
| | 11 C Kingswood Road |
| | Hampton Lovett |
| | Droitwich |
| | Worcestershire |
| | WR9 0QH |

Dynamometer Services Group Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and in accordance with FRS 105 The Financial Reporting Standard applicable to the Micro-entities Regime. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dynamometer Services Group Limited

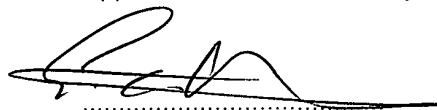
(Registration number: 03901838)
Balance Sheet as at 31 March 2017

| | Note | 2017 £ | 2016 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 5,489 | 6,404 |
| Tangible assets | 5 | <u>161,212</u> | <u>200,892</u> |
| | | <u>166,701</u> | <u>207,296</u> |
| Current assets | | | |
| Stocks | 6 | 95,748 | 338,442 |
| Debtors | 7 | 605,475 | 597,113 |
| Cash at bank and in hand | | <u>84,948</u> | <u>253,804</u> |
| | | 786,171 | 1,189,359 |
| Creditors: Amounts falling due within one year | 8 | <u>(380,051)</u> | <u>(419,815)</u> |
| Net current assets | | <u>406,120</u> | <u>769,544</u> |
| Total assets less current liabilities | | 572,821 | 976,840 |
| Creditors: Amounts falling due after more than one year | 8 | (40,261) | (57,272) |
| Provisions for liabilities | | <u>(22,924)</u> | <u>(25,409)</u> |
| Net assets | | <u>509,636</u> | <u>894,159</u> |
| Capital and reserves | | | |
| Called up share capital | | 115,833 | 115,833 |
| Share premium reserve | | 7,000 | 7,000 |
| Capital redemption reserve | | 5,833 | 5,833 |
| Profit and loss account | | <u>380,970</u> | <u>765,493</u> |
| Total equity | | <u>509,636</u> | <u>894,159</u> |

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 9/4/17 and signed on its behalf by:



Mr G Atkins
Director

The notes on pages 4 to 11 form an integral part of these financial statements.

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

Stock End
Bransford
Worcester
WR6 5JH

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.

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Audit report

The Independent Auditors' Report was qualified. The basis for the qualified opinion on the financial statements as detailed in the full audit report was as follows:

Basis for qualified opinion on financial statements

We were appointed as auditors of the company after 31 March 2016 and thus did not observe the counting of the physical stock at the beginning of the period. We were unable to satisfy ourselves by alternative means concerning stock quantities held at 31 March 2016. Since opening stock enters into the determination of the profit or loss for the period, we were unable to determine whether adjustments might have been necessary in respect of the loss for the period reported in the profit and loss account.

Qualified opinion on the financial statements

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

The audit report also included an Other Matter paragraph detailing that the financial statements for the year ended 31 March 2016 were not audited.

The name of the Senior Statutory Auditor who signed the audit report was Mark Skellum FCA, who signed for and on behalf of Ballard Dale Syree Watson LLP.

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 |
|-----------------------|-------------------------------------|
| Property improvements | 10% on cost |
| Plant and machinery | 15% on reducing balance |
| Fixtures and fittings | 25% on reducing balance |
| Motor vehicles | 25% on reducing balance |
| Computer equipment | 33.33% on cost |

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Notes to the Financial Statements for the Year Ended 31 March 2017

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

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 |
|--------------------|-------------------------------------|
| Goodwill | 6.67% on cost |

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. 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.

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.

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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

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

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 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 33 (2016 - 38).

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

4 Intangible assets

| | Goodwill £ | Total £ |
|--------------------------|---------------|------------|
| Cost or valuation | | |
| At 1 April 2016 | 13,723 | 13,723 |
| At 31 March 2017 | 13,723 | 13,723 |
| Amortisation | | |
| At 1 April 2016 | 7,319 | 7,319 |
| Amortisation charge | 915 | 915 |
| At 31 March 2017 | 8,234 | 8,234 |
| Carrying amount | | |
| At 31 March 2017 | 5,489 | 5,489 |
| At 31 March 2016 | 6,404 | 6,404 |

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Tangible assets

| | Leasehold property improvements £ | Furniture, fittings and equipment £ | Motor vehicles £ | Other property, plant and equipment £ |
|--------------------------|--|--|------------------------|---|
| Cost or valuation | | | | |
| At 1 April 2016 | 27,291 | 105,240 | 220,099 | 171,784 |
| Additions | - | 1,953 | - | 3,091 |
| At 31 March 2017 | <u>27,291</u> | <u>107,193</u> | <u>220,099</u> | <u>174,875</u> |
| Depreciation | | | | |
| At 1 April 2016 | 8,187 | 93,665 | 128,220 | 93,452 |
| Charge for the year | <u>2,729</u> | <u>6,811</u> | <u>22,969</u> | <u>12,213</u> |
| At 31 March 2017 | <u>10,916</u> | <u>100,476</u> | <u>151,189</u> | <u>105,665</u> |
| Carrying amount | | | | |
| At 31 March 2017 | <u>16,375</u> | <u>6,717</u> | <u>68,910</u> | <u>69,210</u> |
| At 31 March 2016 | <u>19,104</u> | <u>11,577</u> | <u>91,879</u> | <u>78,332</u> |
| | | | | Total £ |
| Cost or valuation | | | | |
| At 1 April 2016 | | | | 524,414 |
| Additions | | | | <u>5,044</u> |
| At 31 March 2017 | | | | <u>529,458</u> |
| Depreciation | | | | |
| At 1 April 2016 | | | | 323,524 |
| Charge for the year | | | | <u>44,722</u> |
| At 31 March 2017 | | | | <u>368,246</u> |
| Carrying amount | | | | |
| At 31 March 2017 | | | | <u>161,212</u> |
| At 31 March 2016 | | | | <u>200,892</u> |

6 Stocks

| | 2017 £ | 2016 £ |
|-------------------|---------------|----------------|
| Other inventories | <u>95,748</u> | <u>338,442</u> |

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Debtors

| | 2017 £ | 2016 £ |
|---------------------------------------|----------------|----------------|
| Trade debtors | 599,348 | 568,147 |
| Other debtors | <u>6,127</u> | <u>28,966</u> |
| Total current trade and other debtors | <u>605,475</u> | <u>597,113</u> |

8 Creditors

| | Note | 2017 £ | 2016 £ |
|---------------------------------|------|----------------|----------------|
| Due within one year | | | |
| Bank loans and overdrafts | 9 | 17,011 | 20,839 |
| Trade creditors | | 146,869 | 147,006 |
| Amounts owed to related parties | | - | 3,071 |
| Taxation and social security | | 116,989 | 96,939 |
| Other creditors | | <u>99,182</u> | <u>151,960</u> |
| | | <u>380,051</u> | <u>419,815</u> |
| Due after one year | | | |
| Loans and borrowings | 9 | <u>40,261</u> | <u>57,272</u> |

9 Loans and borrowings

| | 2017 £ | 2016 £ |
|---|---------------|---------------|
| Non-current loans and borrowings | | |
| Finance lease liabilities | <u>40,261</u> | <u>57,272</u> |

| | 2017 £ | 2016 £ |
|-------------------------------------|---------------|---------------|
| Current loans and borrowings | | |
| Finance lease liabilities | <u>17,011</u> | <u>20,839</u> |

The above finance leases are secured by legal charges over motor vehicles owned by the company.

10 Redesignation of share capital

During the year, 5,000 £1 Ordinary 'E' shares were redesignated as 5,000 Ordinary £1 shares.

Dynamometer Services Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

11 Transition to FRS 102

The directors have undertaken a comprehensive review of the company's accounting policies in order to identify all potential transitional adjustments that may be necessary. As a result of this review, the directors have not identified any material adjustments arising from the transition and therefore no transitional adjustments have been made in these financial statements.

Therefore there is no change to either the balance sheet or profit and loss account as previously presented for the period ended 31 March 2016.