

THE BRUNO EFFECT LIMITED
Unaudited Financial Statements
For the financial year ended 31 December 2022
Pages for filing with the registrar

THE BRUNO EFFECT LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

Contents

Statement of Financial Position	3
Notes to the Financial Statements	5

THE BRUNO EFFECT LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	3	32,564	14,987
		32,564	14,987
Current assets			
Debtors			
- due within one year	4	39,841	88,734
- due after more than one year	4	5,912	4,455
Cash at bank and in hand		397,186	463,397
		442,939	556,586
Creditors: amounts falling due within one year	5	(168,843)	(101,692)
Net current assets		274,096	454,894
Total assets less current liabilities		306,660	469,881
Creditors: amounts falling due after more than one year	6, 12	(42,596)	(40,000)
Provision for liabilities	711	(4,782)	(3,371)
Net assets		259,282	426,510
Capital and reserves			
Called-up share capital	8	293	267
Share premium account		1,599,813	1,149,933
Profit and loss account		(1,340,824)	(723,690)
Total shareholders' funds		259,282	426,510

THE BRUNO EFFECT LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 31 December 2022

For the financial year ending 31 December 2022 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 financial year in accordance with section 476;
- 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; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Statement of Income and Retained Earnings has not been delivered.

The financial statements of The Bruno Effect Limited (registered number: 12451543) were approved and authorised for issue by the Director. They were signed on its behalf by:

C Bruno
Director

28 September 2023

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

The Bruno Effect Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 35 Ballards Lane, London, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the Company and rounded to the nearest £.

Going concern

The directors have assessed the Statement of Financial Position and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Statement of Income and Retained Earnings in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the customer.

Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so 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.

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Leasehold improvements	4 years straight line
Office equipment	4 years straight line
Computer equipment	4 years straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

Leases

The Company as lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Statement of Income and Retained Earnings over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

Financial instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to and from related parties.

i) Financial assets

Basic financial assets, including trade and other debtors, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

2. Employees

	2022	2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	11	9

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

3. Tangible assets

	Leasehold improve- ments	Office equipment	Computer equipment	Total
	£	£	£	£
Cost				
At 01 January 2022	0	6,641	12,097	18,738
Additions	15,450	7,893	3,188	26,531
Disposals	0	0	(739)	(739)
At 31 December 2022	15,450	14,534	14,546	44,530
Accumulated depreciation				
At 01 January 2022	0	352	3,399	3,751
Charge for the financial year	2,327	2,512	3,515	8,354
Disposals	0	0	(139)	(139)
At 31 December 2022	2,327	2,864	6,775	11,966
Net book value				
At 31 December 2022	13,123	11,670	7,771	32,564
At 31 December 2021	0	6,289	8,698	14,987

4. Debtors

	2022	2021
	£	£
Debtors: amounts falling due within one year		
Trade debtors	326	0
Prepayments	9,328	5,536
VAT recoverable	8,285	13,744
Other debtors	21,902	69,454
	39,841	88,734
Debtors: amounts falling due after more than one year		
Other debtors	5,912	4,455

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

5. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	6,842	10,000
Trade creditors	65,982	26,887
Accruals	24,754	4,300
Other taxation and social security	18,274	8,623
Other creditors	52,991	51,882
	168,843	101,692

6. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	42,596	40,000

7. Deferred tax

	2022	2021
	£	£
At the beginning of financial year	(3,371)	15,785
Charged to the Statement of Income and Retained Earnings	(1,411)	(19,156)
At the end of financial year	(4,782)	(3,371)

8. Called-up share capital

	2022	2021
	£	£
Allotted, called-up and fully-paid		
9,274 Ordinary B shares of £ 0.01 each (2021: 6,666 shares of £ 0.01 each)	93	67
20,000 Ordinary shares of £ 0.01 each	200	200
	293	267

The company issued 2,608 Ordinary B shares of £0.01 each during the year for a total consideration of £449,994. Following the year end, the company issued 1,105 Ordinary B shares of £0.01 each in May 2023 for a total consideration of £400,116 and 2,652 Ordinary B shares of £0.01 each in June 2023 for a total consideration of £960,279.

THE BRUNO EFFECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

9. Financial commitments

Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
within one year	44,051	0
between one and five years	22,026	0
	66,077	0

10. Related party transactions

Included in other debtors is £21,316 (2021: £nil) owed by the directors. Interest has been charged at HMRC's rates and is repayable on demand.

11. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company and in an independently administered fund. Contributions totalling £1,754 (2021: £1,762) were payable to the fund at the balance sheet date are included in creditors.

12. Loans

Analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year	6,842	10,000
Amounts falling due 1-2 years	7,015	10,000
Amounts falling due 2-5 years	22,126	30,000
Amounts falling due after more than 5 years	13,455	0
	49,438	50,000

The company renegotiated the loan in the period to extend to be a ten year period.

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.