QUARTERLY COMPANY INFORMATION AND DISCLOSURE STATEMENT

FOR DNA Dynamics, Inc. FOR THE PERIOD ENDING JUNE 30, 2011

FORWARD LOOKING STATEMENTS

THIS ANNUAL COMPANY INFORMATION AND DISCLOSURE STATEMENT, IN PARTICULAR, "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" AND "BUSINESS," INCLUDE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THESE STATEMENTS REPRESENT THE COMPANY'S EXPECTATIONS OR BELIEFS CONCERNING, AMONG OTHER THINGS, FUTURE REVENUE, EARNINGS, AND OTHER FINANCIAL RESULTS, PROPOSED ACQUISITIONS AND NEW PRODUCTS, ENTRY INTO NEW MARKETS, FUTURE OPERATIONS AND OPERATING RESULTS, FUTURE BUSINESS AND MARKET OPPORTUNITIES. THE COMPANY WISHES TO CAUTION AND ADVISE READERS THAT THESE STATEMENTS INVOLVE RISK AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THE EXPECTATIONS AND BELIEFS CONTAINED HEREIN. FOR A SUMMARY OF CERTAIN RISKS RELATED TO THE COMPANY'S BUSINESS, SEE "RISK FACTORS." UNDER "DESCRIPTION OF BUSINESS."

Unless the context requires otherwise, references to the Company or Issuer are to DNA DYNAMICS INCORPORATED.

PART A GENERAL COMPANY INFORMATION

Cautionary Factors That May Affect Future Results (Cautionary Statements Under the Private Securities Litigation Reform Act of 1995)

The disclosure and analysis set forth herein contains certain forward looking statements, particularly statements relating to future actions, performance or results of current and anticipated products and services, sales efforts, expenditures, and financial results. From time to time, the Company also provides forward-looking statements in other publicly-released materials, both written and oral. Forward-looking statements provide current expectations or forecasts of future events such as new products or services, product approvals, revenues, and financial performance. These statements are identified as any statement that does not relate strictly to historical or current facts. They use words such as "anticipates," "intends," "plans," "expects," "will," and other words and phrases of similar meaning. In all cases, a broad variety of assumptions can affect the realization of the expectations or forecasts in those statements. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially.

The Company undertakes no obligation to update any forward-looking statements, but investors are advised to consult any further disclosures by the Company on this subject in its subsequent filings. Furthermore, as permitted by the Private Securities Litigation Reform Act of 1995, the Company provides these cautionary statements identifying risk factors, listed below, that could cause the Company's actual results to differ materially from expected and historical results. It is not possible to foresee or identify all such factors. Consequently, this list should not be considered an exhaustive statement of all potential risks, uncertainties and inaccurate assumptions.

RISK FACTORS

No Active Market. Although the Company's shares are listed on the Pink Sheets listing service, the Company believes that the public trading price may be an inaccurate representation of the value of the Company because there is little or no trading volume in the Company's shares and no analysts or NASD market makers actively follow the Company.

We have never issued a Dividend and don't anticipate any Dividends in the future. DNA Dynamics has never issued a dividend and we do not anticipate paying dividends on our common stock in the foreseeable future. Furthermore, we may also be restricted from paying dividends in the future pursuant to subsequent financing arrangements or pursuant to Delaware law.

You could be diluted from the Issuance of additional Common and Preferred Stock. DNA Dynamics is authorized to issue up to 350,000,000 shares of common stock and 20,000,000 shares of preferred stock. To the extent of such authorization, our board of directors will have the ability, without seeking shareholder approval, to issue additional shares of common stock in the future for such consideration as the board may consider sufficient. The issuance of additional common stock in the future may reduce your proportionate ownership and voting power.

Volatility of Stock Prices. In the event that there is an established public market for the Company's Common Stock, market prices will be influenced by many factors and will be more subject to significant fluctuations in response to variations in operating results of the Company and other factors such as investor perceptions of the Company, supply and demand, interest rates, general economic conditions and those specific to the industry, developments with regard to the Company's activities, future financial condition and management.

Applicability of Low Priced Stock Risk Disclosure Requirements. The Common Stock of the Company may be considered a low priced security under rules promulgated under the Securities Exchange Act of 1934. Under these rules, broker-dealers participating in transactions in low priced securities must first deliver a risk disclosure document which describes the risks associated with such stocks, the broker-dealer's duties, the customer's rights and remedies, certain market and other information, and make a suitability determination approving the customer for low priced stock transactions based on the customer's financial situation, investment experience and objectives. Broker-dealers must also disclose these restrictions in writing to the customer, obtain specific written consent of the customer, and provide monthly account statements to the customer. With all these restrictions, the likely effect of designation as a low priced stock will be to decrease the willingness of broker-dealers to make a market for the stock, to decrease the liquidity of the stock and to increase the transaction cost of sales and purchases of such stock compared to other securities.

PART A. GENERAL COMPANY INFORMATION

Item 1. The address of its principal executive officers:

1 Warwick Street
Leamington Spa
CV32 5LW
United Kingdom
+1 347-352-0074
Web: www.dnadpk.com

Item 2. The number of shares or total amount of the securities outstanding for each class of securities authorized:

August 2, 2011	Authorized Shares	Outstanding Shares	Freely Trading Shares	Total Number of Beneficial Shareholders	Total Number of Shareholders of Record
Common	350,000,000	158,305,780	108,655,843	34	34
Preferred	20,000,000	5,000	0	1	1

Item 3. Financial Statements

DNA DYNAMICS INC

Consolidated Financial Accounts for the 3 Month Period ended

30 June 2011

DNA DYNAMICS INC
Accountants' Report

Accountants' report to the directors of
DNA DYNAMICS INC

We have compiled the attached Financial Statements from the records and information provided to us by the management of the company.

The Balance Sheet, statement of operations, changes in stockholders equity and cash flows for the quarter ended 30 June 2011 have been prepared in accordance with the financial reporting standards applicable to small companies.

We have not carried out an audit or any other review of these financial statements, and consequently we do not express any opinion on these accounts, or any other form of assurance on them.

Paul Clewlow & Co
Accountants & Certified Bookkeepers

21 Bracken Drive
Wolvey
Hinckley
Warwickshire
LE10 3LS

31 March 2011

DNA DYNAMICS INC
Profit and Loss Account
for the period from 1 April 2011 to 30 June 2011

	Notes	2011 $
Turnover	2	50,207
Cost of operations		(132,293)
Gross loss		(82,086)
Administrative expenses		(40,867)
Operating loss		(122,953)
Loss on ordinary activities before taxation		(122,953)
Tax on loss on ordinary activities		-
Loss for the period		(122,953)

DNA DYNAMICS INC
Balance Sheet
as at 30 June 2011

	Notes		2011 $
Fixed assets			
Intangible assets	3		3,706,301
Investments	4		92,306
			3,798,607
Current assets			
Debtors	5	39,404	
Cash at bank and in hand		22,556	
		61,960	
Creditors: amounts falling due within one year	6	(69,220)	
Net current liabilities			(7,260)
Total assets less current liabilities			3,791,347
Creditors: amounts falling due after more than one year	7		(290,497)
Net assets			3,500,850
Equity			
Called up share capital	8		153,306
Share premium	9		3,615,687
Retained Earnings	10		(268,143)
Total Equity			3,500,850

DNA DYNAMICS INC
Notes to the Accounts
for the period from 1 April 2011 to 30 June 2011

1 Accounting policies

Basis of preparation
The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover
Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Depreciation
Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	20% straight line
Motor vehicles	25% straight line

Stocks
Stock is valued at the lower of cost and net realisable value.

Deferred taxation
Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments
Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

2	Turnover	2011
	Turnover attributable to geographical markets outside the UK	46.6%

3 Fixed assets

	$
Cost	
At 1 April 2011	3,500,000
Additions	206,301
At 30 June 2011	3,706,301
Amortisation	
At 30 June 2011	-
Net book value	
At 30 June 2011	3,706,301
At 31 March 2011	3,500,000

4 Other Investments

	$
Cost	
At 1 April 2011	32,380
Investment Loans	59,926
At 30 June 2011	92,306

5 Debtors

	2011 $
Trade debtors	39,404

6 Creditors: amounts falling due within one year

	2011 $
Bank loans and overdrafts	5,309
Accounts Payable	24,820
Loan from Division	165
Corporation tax	1,851
Other taxes and social security costs	37,075
	69,220

7 Creditors: amounts falling due after one year

	2011 $
Investment Loans	290,497

8 Equity

	Nominal value	2011 Number	2011 $
Allotted, called up and fully paid:			
Common Stock	$0.001	148,306,000	148,306
Preference A	$0.001	5,000,000	5,000
			153,306

9 Share premium

	2011 $
Additional paid in Capital	3,615,687
At 30 June 2011	3,615,687

10 Profit and loss account

	2011 $
At 1 April 2011	(145,190)
Loss for the period	(122,953)
At 30 June 2011	(268,143)

9 Stockholders Equity

Class of Equity (Par value)	Authorised	Issued	Value $
Preferred Stock Series A $.001 issued & outstanding	20,000,000	5,000,000	5,000
Common Stock $.001 issued & outstanding	950,000,000	148,306,000	148,306
			153,306

DNA DYNAMICS INC.

STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
for the period ended June 30th 2011

PREFERRED STOCK - SERIES A	Issued	Value $
Balance as at April 1 2011	5,000,000	5,000
Shares issued in period		
Balance as at 30 June 2011	5,000,000	5,000

COMMON STOCK		
Balance as at April 1 2011	7,642,157	7,642
Shares issued in period	140,663,843	140,664
Balance as at 30 June 2011	148,306,000	148,306

RETAINED EARNINGS	$
Balance as at April 1 2011	(105,888)
Adjustment loss for previous period	(39,302)
Net loss for the current period	(122,953)
Balance as at 30 June 2011	(268,143)

DNA DYNAMICS INC.
CASH FLOW ANALYSIS
STATEMENT OF CASH FLOWS

	$
Cash flows from operating activities	(122,953)
Cash received from customers	10,804
Cash provided by suppliers and employees	59,395
Net cash provided by operating activities	(52,754)
Cash flows from investing activities	
Acquisition of fixed assets	(33,235)
Investment in research & development	(76,655)
Net cash used in investing activities	(109,890)
Cash flows from financing activities	
Loans to corporation	254,876
Repayment of notes	(72,170)
Net cash used in financing activities	182,706
Net increase (decrease) in cash	20,062
Cash at beginning of period	2,494
Cash at end of period	22,556

RECONCILIATION OF NET DEFICIT TO NET CASH USED IN OPERATING ACTIVITIES	$
Net Deficit brought forward	(145,190)
Increase in Accounts payable	(22,320)
Other current liabilities	(100,633)
Net deficit in operating activities	(268,143)

Further notes to the statements for the period to 30 June 2011.

ORGANIZATION AND DESCRIPTION OF BUSINESS

DNA Dynamics, Inc (The Company) has two subsidiaries.

DNA Interactive Limited was formed in the United Kingdom in 2010, with authorized common stock of 1000 shares. The organization is a Mobile Platform Application and Games Development company.

The Company was acquired as a wholly owned subsidiary of DNA Dynamics, Inc. (PK:DNAD) in November 2010. (The company was formally Appache Mobile)

DNA Studios Limited was formed in the United Kingdom in 2007, with authorized common stock of 100 shares. The organization is a Video Games Development company.

The companies now operate as wholly owned subsidiaries of DNA Dynamics, Inc. where the Authorized Share Capital is 350,000,000 Common Shares and the Issued Share Capital is currently around 158,000,000. The common shares are currently trading at around $0.01 per share.

SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted both in the United Kingdom and in the United States of America and have been consistently applied in the preparation of the financial statements. The following policies are considered to be significant:

a. Accounting Method

The Company recognizes income and expenses based on the accrual method of accounting. The Company has elected a calendar year-end.

b. Cash and Cash Equivalents

Cash equivalents are generally comprised of certain highly liquid investments with original maturities of less than three months.

c. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Basic and Fully Diluted Net Loss per Share of Common Stock

In accordance with Financial Accounting Standards No. ASC 260, "Earnings per Share," basic net loss per common share is based on the weighted average number of shares outstanding during the periods presented. Diluted earnings per share is computed using the weighted average number of common shares plus dilutive common share equivalents outstanding during the period. There are no common stock equivalents as of 30th June 2011.

e. Allowance for Doubtful Accounts Receivable

Accounts receivable are recorded net of the allowance for doubtful accounts. The Company generally offers 15-day credit terms on sales to its customers and requires no collateral. The Company maintains an allowance for doubtful accounts which is determined based on a number of factors, including each customer's financial condition, general economic trends and management judgment.

f. Inventories

Inventories are stated at the lower of average cost or market value. However, the company does not carry physical stock of any goods to sell.

g. Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. When assets are disposed of, the cost and accumulated depreciation (net book value of the assets) are eliminated and any resultant gain or loss reflected accordingly. Betterments and improvements are capitalized over their estimated useful lives whereas repairs and maintenance expenditures on the assets are charged to expense as incurred.

h. Revenue Recognition

Products and services provided by the Company are broken down into two main categories for revenue recognition purposes, they are: development projects for Business Applications and Gaming Assets which are acquired from third parties as finished articles and sold through online outlets such as the Apple 'Appstore'.

Revenue is recognized upon completion of services or delivery of goods where the sales price is fixed or determinable and collection is reasonably assured. Advance customer payments are recorded as deferred revenue until such time as they are recognized. The Company does not offer any cash rebates. Returns or discounts, if any, are netted against gross revenues.

i. Recent Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update 2010-02, Consolidation (Topic 810): Accounting and Reporting for Decreases in Ownership of a Subsidiary. This amendment to Topic 810 clarifies, but does not change, the scope of current US GAAP. It clarifies the decrease in ownership provisions of Subtopic 810-10 and removes the potential conflict between guidance in that Subtopic and asset de-recognition and gain or loss recognition guidance that may exist in other US GAAP. An entity will be required to follow the amended guidance beginning in the period that it first adopts FAS 160 (now included in Subtopic 810-10). For those entities that have already adopted FAS 160, the amendments are effective at the beginning of the first interim or annual reporting period ending on or after December 15, 2009. The amendments should be applied retrospectively to the first period that an entity adopted FAS 160. The Company does not expect the provisions of ASU 2010-02 to have a material effect on the financial position, results of operations or cash flows of the Company.

In January 2010, the FASB issued Accounting Standards Update 2010-01, Equity (Topic 505): Accounting for Distributions to Shareholders with Components of Stock and Cash (A Consensus of the FASB Emerging Issues Task Force). This amendment to Topic 505 clarifies the stock portion of a distribution to shareholders that allows them to elect to receive cash or stock with a limit on the amount of cash that will be distributed is not a stock dividend for purposes of applying Topics 505 and 260. Effective for interim and annual periods ending on or after December 15, 2009, and would be applied on a retrospective basis. The Company does not expect the provisions of ASU 2010-01 to have a material effect on the financial position, results of operations or cash flows of the Company.

In December 2009, the FASB issued Accounting Standards Update 2009-17, Consolidations (Topic 810): Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities. This Accounting Standards Update amends the FASB Accounting Standards Codification for Statement 167. (See FAS 167 effective date below.)

In December 2009, the FASB issued Accounting Standards Update 2009-16, Transfers and Servicing (Topic 860): Accounting for Transfers of Financial Assets. This Accounting Standards Update amends the FASB Accounting Standards Codification for Statement 166. (See FAS 166 effective date below)
In October 2009, the FASB issued Accounting Standards Update 2009-15, Accounting for Own-Share Lending Arrangements in Contemplation of Convertible Debt Issuance or Other Financing. This Accounting Standards Update amends the FASB Accounting Standard Codification for EITF 09-1. (See EITF 09-1 effective date below.)

In October 2009, the FASB issued Accounting Standards Update 2009-14, Software (Topic 985): Certain Revenue Arrangements That Include Software Elements. This update changed the accounting model for revenue arrangements that include both tangible products and software elements. Effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15 2010. Early adoption is permitted. The Company does not expect the provisions of ASU 2009-14 to have a material effect on the financial position, results of operations or cash flows of the Company.

In October 2009, the FASB issued Accounting Standards Update 2009-13, Revenue Recognition (Topic 605): Multiple-Deliverable Revenue Arrangements. This update addressed the accounting for multiple-deliverable arrangements to enable vendors to account for products or services (deliverables) separately rather than a combined unit and will be separated in more circumstances that under existing US GAAP. This amendment has eliminated that residual method of allocation. Effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is permitted. The Company does not expect the provisions of ASU 2009-13 to have a material effect on the financial position, results of operations or cash flows of the Company.

In September 2009, the FASB issued Accounting Standards Update 2009-12, Fair Value Measurements and Disclosures (Topic 820): Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). This update provides amendments to Topic 820 for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent). It is effective for interim and annual periods ending after December 15, 2009. Early application is permitted in financial statements for earlier interim and annual periods that have not been issued. The Company does not expect the provisions of ASU 2009-12 to have a material effect on the financial position, results of operations or cash flows of the Company.

In July 2009, the FASB ratified the consensus reached by EITF (Emerging Issues Task Force) issued EITF No. 09-1, (ASC Topic 470) "Accounting for Own-Share Lending Arrangements in Contemplation of Convertible Debt Issuance" ("EITF 09-1"). The provisions of EITF 09-1, clarifies the accounting treatment and disclosure of share-lending arrangements that are classified as equity in the financial statements of the share lender. An example of a share-lending arrangement is an agreement between the Company (share lender) and an investment bank (share borrower) which allows the investment bank to use the loaned shares to enter into equity derivative contracts with investors. EITF 09-1 is effective for fiscal years that beginning on or after December 15, 2009 and requires retrospective application for all arrangements outstanding as of the beginning of fiscal years beginning on or after December 15, 2009. Share-lending arrangements that have been terminated as a result of counterparty default prior to December 15, 2009, but for which the entity has not reached a final settlement as of December 15, 2009 are within the scope. Effective for share-lending arrangements entered into on or after the beginning of the first reporting period that begins on or after June 15, 2009. The Company does not expect the provisions of EITF 09-1 to have a material effect on the financial position, results of operations or cash flows of the Company.

In June 2009, FASB issued ASC 105-10 (Prior authoritative literature: SFAS No. 168, *"The FASB Accounting Standards Codification TM and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162"*).FASB ASC 105-10 establishes the FASB Accounting Standards Codification TM (Codification) as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. FASB ASC 105-10 is effective for financial statements issued for fiscal years and interim periods ending after September 15, 2009. As such, the Company is required to adopt these provisions at the beginning of the fiscal year ending December 31, 2009. Adoption of FASB ASC 105-10 did not have a material effect on the Company's financial statements.

In June 2009, the FASB issued FASB ASC 810-10-65 (Prior authoritative literature: SFAS No. 167, "*Amendments to FASB Interpretation No. 46(R)*") which amends the consolidation guidance applicable to a variable interest entity ("VIE"). This standard also amends the guidance governing the determination of whether an enterprise is the primary beneficiary of a VIE, and is therefore required to consolidate an entity, by requiring a qualitative analysis rather than a quantitative analysis. Previously, the standard required reconsideration of whether an enterprise was the primary beneficiary of a VIE only when specific events had occurred. This standard is effective for fiscal years beginning after November 15, 2009, and for interim periods within those fiscal years. Early adoption is prohibited. Adoption of FASB ASC 810-10-65 did not have a material impact on the Company's financial statements.

In June 2009, the FASB ASC 860-10 (Prior authoritative literature: issued SFAS No. 166, "*Accounting for Transfers of Financial Assets, an Amendment of FASB Statement No. 140*"), which eliminates the concept of a qualifying special-purpose entity ("QSPE"), clarifies and amends the de-recognition criteria for a transfer to be accounted for as a sale, amends and clarifies the unit of account eligible for sale accounting and requires that a transferor initially measure at fair value and recognize all assets obtained and liabilities incurred as a result of a transfer of an entire financial asset or group of financial assets accounted for as a sale. This standard is effective for fiscal years beginning after November 15, 2009. Adoption of FASB ASC 860-10 did not have a material impact on the Company's financial statements.

In May 2009, FASB issued FASB ASC 855-10 (Prior authoritative literature: SFAS No. 165, *"Subsequent Events").* FASB ASC 855-10 establishes principles and requirements for the reporting of events or transactions that occur after the balance sheet date, but before financial statements are issued or are available to be issued. FASB ASC 855-10 is effective for financial statements issued for fiscal years and interim periods ending after June 15, 2009. As such, the Company adopted these provisions at the beginning of the interim period ended June 30, 2009.

In April 2009, the FASB issued FASB ASC 810-10-65 (Prior authoritative literature: SFAS No. 164, *"Not-for-Profit Entities: Mergers and Acquisitions")* which governs the information that a not-for-profit entity should provide in its financial reports about a combination with one or more other not-for-profit entities, businesses or non-profit activities and sets out the principles and requirements for how a not-for-profit entity should determine whether a combination is in fact a merger or an acquisition. This standard is effective for mergers occurring on or after Dec. 15, 2009 and for acquisitions where the acquisition date is on or after the beginning of the first annual reporting period, beginning on or after Dec. 15, 2009. This standard does not apply to the Company since the Company is considered a for-profit entity

In May 2008, the FASB issued FASB ASC 944 (Prior authoritative literature: SFAS No. 163, *"Accounting for Financial Guarantee Insurance Contracts - an interpretation of FASB Statement No. 60"). FASB ASC 944* interprets Statement 60 and amends existing accounting pronouncements to clarify their application to the financial guarantee insurance contracts included within the scope of that Statement. This standard is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. As such, the Company is required to adopt these provisions at the beginning of the fiscal year ended December 31, 2009. The Company does not believe this standard will have any impact on the financial statements.

In March 2008, the FASB issued FASB ASC 815-10 (Prior authoritative literature: SFAS No. 161, "*Disclosures about Derivative Instruments and Hedging Activities*"), which is effective January 1, 2009. FASB ASC 815-10 requires enhanced disclosures about derivative instruments and hedging activities to allow for a better understanding of their effects on an entity's financial position, financial performance, and cash flows. Among other things, this standard requires disclosures of the fair values of derivative instruments and associated gains and losses in a tabular formant. This standard is not currently applicable to the Company since we do not have derivative instruments or engage in hedging activity.

In December, 2007, the FASB issued FASB ASC 810-10-65 (Prior authoritative literature: SFAS No. 160, "*Non-controlling Interests in Consolidated Financial Statements",* an amendment of ARB No. 51). FASB ASC 810-10-65 will change the accounting and reporting for minority interests which will be characterized as non-controlling interests and classified as a component of equity. This new consolidation method will significantly change the accounting for transactions with minority interest shareholders. This standard is effective for fiscal years and interim periods within those fiscal years beginning on or after December 15, 2008. The Company adopted this standard beginning January 1, 2009 and does not believe it has a material impact in its financial statements.

In December, 2007, the FASB issued FASB ASC 805 (Prior authoritative literature: SFAS No. 141(R), *"Business Combinations")*, which established the principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired. FASB ASC 805 also establishes disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. FASB ASC 805 is effective the first annual reporting period beginning on or after December 15, 2008. The Company adopted this standard beginning January 1, 2009 and does not believe it has a material impact in its financial statements.

In March 2007, FASB ASC 715-60 (Prior authoritative literature: EITF Issue No. 06-10, *"Accounting for Collateral Assignment Split-Dollar Life Insurance Agreements")*. FASB ASC 715-60 provides guidance for determining a liability for the postretirement benefit obligation as well as recognition and measurement of the associated asset on the basis of the terms of the collateral assignment agreement. FASB ASC 715-60 is effective for fiscal years beginning after December 15, 2007. The adoption of FASB ASC 715-60 did not have a material impact on the Company's financial position, results of operations, or cash flows.

In February 2007, FASB ASC 825-10 (Prior authoritative literature: Statement of Financial Accounting Standards No. 159, " *The Fair Value Option for Financial Assets and Financial Liabilities-Including an Amendment of FASB Statement No. 115* ,") was issued. This standard allows a company to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and financial liabilities on a contract-by-contract basis, with changes in fair value recognized in earnings. The provisions of this standard were effective as of the beginning of fiscal year 2008, with early adoption permitted. The adoption of FASB ASC 825-10 did not have a material impact on the Company's financial position, results of operations, or cash flows.

In September 2006, the FASB issued FASB ASC 820-10 (Prior authoritative literature: FASB Statement 157, "*Fair Value Measurements")*. FASB ASC 820-10 defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosures about fair value measurements. FASB ASC 820-10 applies under other accounting pronouncements that require or permit fair value measurements. Accordingly, FASB ASC 820-10 does not require any new fair value measurements. However, for some entities, the application of FASB ASC 820-10 will change current practice. The changes to current practice resulting from the application of FASB ASC 820-10 relate to the definition of fair value, the methods used to measure fair value and the expanded disclosures about fair value measurements. The provisions of FASB ASC 820-10 are effective as of January 1, 2008, with the cumulative effect of the change in accounting principle recorded as an adjustment to opening retained earnings. However, delayed application of this statement is permitted for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), until fiscal years beginning after November 15, 2008, and interim periods within those fiscal years. The adoption of FASB ASC 820-10 did not have a material impact on the Company's financial position, results of operations, or cash flows.

In June 2006, FASB issued FASB ASC 740-10 (Prior authoritative literature: FASB Interpretation No. 48 "*Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109*"). This Interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB No. 109, "*Accounting for Income Taxes*". FASB ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FASB ASC 740-10 is effective for fiscal years beginning after December 15, 2006. The adoption of FASB ASC 740-10 did not have a material impact on the Company's financial position, results of operations, or cash flows.

j. Income Taxes

The Financial Accounting Standards Board (FASB) has issued FASB ASC 740-10 (Prior authoritative literature: Financial Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - An Interpretation of FASB Statement No. 109 (FIN 48)). FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with prior literature FASB Statement No. 109, Accounting for Income Taxes. This standard requires a company to determine whether it is more likely than not that a tax position will be sustained will be sustained upon examination based upon the technical merits of the position. If the more-likely-than- not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. As a result of the implementation of this standard, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by FASB ASC 740-10.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

At December 31, 2010, the Company had no unrecognized tax benefits that, if recognized, would affect the effective tax rate.

The Company did not have any tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months.

As of December 31, 20010 and 2009, the Company had no accrued interest or penalties related to uncertain tax positions.

The tax years that remain subject to examination by major taxing jurisdictions are those for the years ended December 31, 2010, 2009, 2008 and 2007.

k. Gain on Settlement of Debt

The gain on settlement of debt arises from the write-off of certain old accounts and notes payable by the Company pursuant to a legal opinion from the Company's attorney and CEO. The Company has no Gain on Settlement of Debt to report.

l. Cash Deposits and Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risks consist of cash and cash equivalents. The Company places cash and cash equivalents at well known quality financial institutions. US Cash and cash equivalents at banks are insured by the Federal Deposit Insurance Corporation for up to $250,000.
UK cash deposits are similarly covered for up to £50,000
The Company did not have any cash or cash equivalents in excess of this amount at 30 June 2011.

m. Subsequent Events

The Company has evaluated subsequent events from the balance sheet date through the date the financial statements were issued and has determined that there are no such events that would have a material impact on the financial statements.

RELATED PARTY TRANSACTIONS

The Company issued certain promissory notes to individuals as disclosed in Note A below. The individuals consist of non-affiliates of the Company. The Company has received total advances of around $290,497; and made payments on these advances of $0 during the period ended June 30 2011.

Note A - NOTES PAYABLE – Non Related Parties

Notes payable consisted of the following:	June 30 2011
Note payable to a company, interest at 0% per annum, due on demand, unsecured	$ 290,497
Total Notes Payable	290,497

EQUITY TRANSACTIONS

500,000,000 Series A Preference shares of DNA Dynamics, Inc (PK:DNAD) were issued to Edward Blincoe upon the acquisition of APPACHE.

On March 28th 2011, the Board of Directors approved the Company's amended and restated Articles of Incorporation (Amendment). The Amendment decreased the authorized shares of common stock from 950,000,000 to 350,000,000 shares. Both common and preferred stock have a changed par value of $0.001 following an amendment, from $0.0001

FINANCIAL INSTRUMENTS

On January 1, 2008, the Company adopted FASB ASC 820-10-50, "*Fair Value Measurements.*" This guidance defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

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Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

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Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The carrying amounts reported in the balance sheets for the cash and cash equivalents, receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of fair value because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest.

GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has a working capital deficit, negative cash flows from operations and has sustained net losses from inception which have resulted in an accumulated a small deficit at June 30 2011.

To date the Company has funded its operations through a combination of loans and business activities.

The Company believes these conditions have resulted from the inherent risks associated with small start up technology-oriented companies. Such risks include, but are not limited to, the ability to (i) generate revenues and sales of its products and services at levels sufficient to cover its costs and provide a return for investors, (ii) attract additional capital in order to finance growth, (iii) further develop and successfully market commercial products and services, and (iv) successfully compete with other comparable companies having financial, production and marketing resources significantly greater than those of the Company.

The Company is attempting to improve these conditions by way of financial assistance through issuances of additional equity and by generating revenues through sales of products and services.

LOANS RECEIVABLE – RELATED PARTIES

From time to time, the Company might chose to makes advances to employees. These advances will be recorded as Loans receivable – related parties.

COMMITMENTS & CONTINGENICES

The Company has no month to month agreements.

CONCENTRATIONS OF CREDIT RISK

The Company has no major customers who represent in excess of 25% of the turnover for the period.

Item 4 Management's Discussion and Analysis or Plan of Operation

Overview

Results of Operations

Following is management's discussion of the relevant items affecting results for the quarter ending June 30, 2011.

Revenues. The Company generated net revenues of $50,207 during the three months ending June 30, 2011. Management anticipates that future revenues will likely grow significantly. Due to the Company's business model and contracts agreed, both signed and verbal, management expects sales to exceed $500,000 for the year ending December 31, 2011.

Cost of Sales. Cost of sales for the three months ending June 30, 2011 is $132,293, which is more than two and one half times net revenues for the same period. Management believes this excess of cost over sales is reasonable, given the short history of the Company. Sales will progressively exceed their cost as the sales volume grows.

Salaries and Commission Expenses. There were no salaries or commissions during the three months ending June 30, 2011.

Professional Fees, Licensing and Permits. Professional fees, licensing, and permits will grow modestly as the Company pursues admittance to the OTCQB tier of OTC Markets.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased from $25,819 for the quarter ending March 31, 2011 to $40,867 for the quarter ending June 30, 2011, which is an increase of over 58%. Given the short history of the Company's operations, this increase is reasonable.

Liquidity and Capital Resources

The Company has financed its operations with cash generated from ongoing business activities as well as from unsecured loans. As of June 30, 2011, the Company has one note, payable to a company in the amount of $290,497. The note is unsecured and is due on demand. Management does not foresee any difficulty in repaying this loan.

Item 5 Legal Proceedings

None.

Item 6 Defaults upon Senior Securities

None.

Item 7 Other Information

None.

Item 8 Exhibits

None

Item 9 Issuer's Certifications

I, Ed Blincoe, certify that:

1. I have reviewed this Quarterly Disclosure Statement of DNA Dynamics, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the quarter covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the quarters presented in this disclosure statement.

Dated: August 11, 2011

By:___

Ed Blincoe
Chief Executive Officer