

Registration number: 04441382

Magic Hat Solutions Limited

Unaudited Financial Statements
for the Year Ended 31 August 2017



Magic Hat Solutions Limited

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Magic Hat Solutions Limited

(Registration number: 04441382)

Balance Sheet as at 31 August 2017

| | Note | 2017 £ | 2016 £ |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Intangible assets | 2 | 12,221 | 10,846 |
| Tangible assets | 3 | 1,617 | 2,001 |
| Investments | 4 | 73 | 73 |
| | | <u>13,911</u> | <u>12,920</u> |
| Current assets | | | |
| Debtors | 5 | 67,816 | 45,829 |
| Cash at bank and in hand | | <u>7,454</u> | <u>6,150</u> |
| | | 75,270 | 51,979 |
| Creditors: Amounts falling due within one year | 6 | <u>(88,318)</u> | <u>(63,790)</u> |
| Net current liabilities | | <u>(13,048)</u> | <u>(11,811)</u> |
| Net assets | | <u>863</u> | <u>1,109</u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | <u>861</u> | <u>1,107</u> |
| Total equity | | <u>863</u> | <u>1,109</u> |

For the financial year ending 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

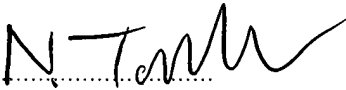
These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Directors' Report and the Profit and Loss Account has been taken.

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Balance Sheet as at 31 August 2017 (continued)

These financial statements, which 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 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the director on 29/1/19



Mr N W Talbot

Director

The notes on pages 3 to 7 form an integral part of these financial statements.

Magic Hat Solutions Limited

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

1 Accounting policies

Statutory information

Magic Hat Solutions Limited is a private company, limited by shares, domiciled in England and Wales, company number 04441382. The registered office is at 12 Cobcar Street, Elsecar, , Barnsley, S74 8DA.

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. There has been no material departure from this standard.

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. The presentation currency is United Kingdom pounds sterling, which is the functional currency of the company. The financial statements are those of an individual entity.

Exemption from preparing group accounts

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

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.

Magic Hat Solutions Limited

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

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 |
|------------------|------------------------------|
| Office equipment | 20% straight line |

Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

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 |
|-------------|------------------------------|
| Domain name | 33% straight line |

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the statement of comprehensive income.

Magic Hat Solutions Limited

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

2 Intangible assets

| | Domain names £ | Total £ |
|-------------------------------|----------------------|------------|
| Cost | | |
| At 1 September 2016 | 12,989 | 12,989 |
| Additions acquired separately | 8,450 | 8,450 |
| At 31 August 2017 | 21,439 | 21,439 |
| Amortisation | | |
| At 1 September 2016 | 2,143 | 2,143 |
| Amortisation charge | 7,075 | 7,075 |
| At 31 August 2017 | 9,218 | 9,218 |
| Carrying amount | | |
| At 31 August 2017 | 12,221 | 12,221 |
| At 31 August 2016 | 10,846 | 10,846 |

3 Tangible assets

| | Furniture, fixture and fittings £ | Total £ |
|------------------------|--|------------|
| Cost | | |
| At 1 September 2016 | 6,669 | 6,669 |
| Additions | 145 | 145 |
| At 31 August 2017 | 6,814 | 6,814 |
| Depreciation | | |
| At 1 September 2016 | 4,668 | 4,668 |
| Charge for the year | 529 | 529 |
| At 31 August 2017 | 5,197 | 5,197 |
| Carrying amount | | |
| At 31 August 2017 | 1,617 | 1,617 |
| At 31 August 2016 | 2,001 | 2,001 |

Magic Hat Solutions Limited

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

4 Investments

| | 2017 £ | 2016 £ |
|-----------------------------|-----------|-----------|
| Investments in subsidiaries | <u>73</u> | <u>73</u> |
| Subsidiaries | | £ |
| Cost | | |
| At 1 September 2016 | | <u>73</u> |
| At 31 August 2017 | | <u>73</u> |
| Carrying amount | | |
| At 31 August 2017 | | <u>73</u> |
| At 31 August 2016 | | <u>73</u> |

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Undertaking | Registered office | Holding | Proportion of voting rights and shares held | |
|-------------------------|--|----------|---|------|
| | | | 2017 | 2016 |
| Subsidiary undertakings | | | | |
| Speedy Route Inc. | 12 Cobcar Street, Elsecar South Yorkshire | Ordinary | 100% | 100% |
| | United Kingdom | | | |

The principal activity of Speedy Route Inc. is a delivery route planner. Its financial period end is 31 December.

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Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

5 Debtors

| | 2017 £ | 2016 £ |
|---------------|---------------|---------------|
| Trade debtors | 8,496 | 15,264 |
| Prepayments | 763 | 763 |
| Other debtors | 58,557 | 29,802 |
| | <u>67,816</u> | <u>45,829</u> |

6 Creditors

Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------|---------------|---------------|
| Due within one year | | |
| Bank loans and overdrafts | 19,854 | 2,886 |
| PAYE and NIC creditor | 350 | - |
| VAT Control account | 6,639 | 3,540 |
| Corporation tax control | 52,927 | 50,486 |
| Accruals and deferred income | 8,548 | 6,878 |
| | <u>88,318</u> | <u>63,790</u> |

7 Transition to FRS 102

This is the first year that the company has presented its results under FRS102. The last financial statements under previous UK GAAP were for the year ended 31 August 2016. The date of transition to FRS102 was 1 September 2015. The transition to FRS102 did not result in any changes in accounting policies and so there are no differences between the profit for the financial year ended 31 August 2016 and the total equity as at 1 September 2015 and 31 August 2016 under UK GAAP as previously reported and FRS102.