

COMPANY REGISTRATION NUMBER: 08971934

The Magnificent Agency Limited
Filleted Unaudited Financial Statements
31 October 2020

The Magnificent Agency Limited

Statement of Financial Position

31 October 2020

		2020	2019
	Note	£	£
Fixed assets			
Tangible assets	6	1,103	1,289
Current assets			
Cash at bank and in hand		84	39,646
Creditors: amounts falling due within one year	7	130,759	131,008
Net current liabilities		130,675	91,362
Total assets less current liabilities		(129,572)	(90,073)
Creditors: amounts falling due after more than one year	8	51,832	38,203
Provisions			
Taxation including deferred tax		210	245
Net liabilities		(181,614)	(128,521)
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(181,615)	(128,522)
Shareholder deficit		(181,614)	(128,521)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

For the year ending 31 October 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

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

The Magnificent Agency Limited
Statement of Financial Position *(continued)*

31 October 2020

These financial statements were approved by the board of directors and authorised for issue on 26 July 2021 , and are signed on behalf of the board by:

Mr J O J Kelly

Director

Company registration number: 08971934

The Magnificent Agency Limited

Notes to the Financial Statements

Year ended 31 October 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 6 The Linen Yard, South Street, Crewkerne, Somerset, TA18 8AB.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Going concern

At 31 October 2020 the company had net current liabilities of £130,115 and net liabilities of £181,614 and is therefore dependent on the support of its director and creditors to continue trading. The director has indicated that continued support will be forthcoming in the foreseeable future and the company is currently meeting its day to day liabilities as they fall due. Having considered the company's current trading position, the continued financial support offered and the effect of Covid-19, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the director continues to adopt the going concern basis in preparing the accounts.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Revenue recognition

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

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Equipment	-	25% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis 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 and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

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

4. Employee numbers

The average number of persons employed by the company during the year amounted to 1 (2019: 1).

5. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2020	2019
	£	£
Equity dividends on ordinary shares	47,000	66,000

Some of the above dividends have been paid in contravention of section 830 (1) of the Companies Act 2006, which prohibits the payments of dividends other than by way of distribution out of available profits. Accordingly the shareholder may be liable to repay to the company up to £181,615 of the dividends.

6. Tangible assets

	Equipment £	Total £
Cost		
At 1 November 2019	3,306	3,306
Additions	182	182
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At 31 October 2020	3,488	3,488
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Depreciation		
At 1 November 2019	2,017	2,017
Charge for the year	368	368
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At 31 October 2020	2,385	2,385
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Carrying amount		
At 31 October 2020	1,103	1,103
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At 31 October 2019	1,289	1,289
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7. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	13,686	10,571
Trade creditors	—	110,942
Corporation tax	4,187	5,423
Social security and other taxes	2,069	3,791
Other creditors	110,817	281
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	130,759	131,008
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8. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	51,832	38,203
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The bank loan is secured by the Director.

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.