

Registered number
07165965

Helpful Technology Limited

Report and Accounts

31 March 2016

Helpful Technology Limited

Registered number: 07165965

Director's Report

The director presents his report and accounts for the year ended 31 March 2016.

Principal activities

The company's principal activity during the year continued to be that of software development and technology.

Director

The following person served as director during the year:

S Gray

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 2 November 2016 and signed on its behalf.

S Gray
Director

Helpful Technology Limited
Profit and Loss Account
for the year ended 31 March 2016

	Notes	2016 £	2015 £
Turnover		699,170	658,155
Cost of sales		(72,919)	(122,334)
Gross profit		<u>626,251</u>	<u>535,821</u>
Administrative expenses		(440,466)	(303,534)
Operating profit	2	<u>185,785</u>	<u>232,287</u>
Interest receivable		1,888	46
Interest payable	3	(33)	(6)
Profit on ordinary activities before taxation		<u>187,640</u>	<u>232,327</u>
Tax on profit on ordinary activities	4	(39,450)	(47,070)
Profit for the financial year		<u><u>148,190</u></u>	<u><u>185,257</u></u>

Helpful Technology Limited
Balance Sheet
as at 31 March 2016

	Notes	2016 £	2015 £
Current assets			
Debtors	6	189,236	143,364
Cash at bank and in hand		<u>299,616</u>	<u>254,185</u>
		488,852	397,549
Creditors: amounts falling due within one year			
	7	(104,346)	(101,233)
Net current assets		<u>384,506</u>	<u>296,316</u>
Net assets		<u>384,506</u>	<u>296,316</u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	384,406	296,216
Shareholder's funds		<u>384,506</u>	<u>296,316</u>

The director is satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

S Gray
 Director

Approved by the board on 2 November 2016

Helpful Technology Limited
Notes to the Accounts
for the year ended 31 March 2016

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 January 2015).

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 33.33% straight line

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Operating profit	2016	2015
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	-	696
Director's remuneration	8,052	7,956
Pension costs	31,866	16,677
	<hr/>	<hr/>
3 Interest payable	2016	2015
	£	£
Interest payable	33	6
	<hr/>	<hr/>
4 Taxation	2016	2015
	£	£
UK corporation tax	39,450	47,070
	<hr/>	<hr/>

Helpful Technology Limited
Notes to the Accounts
for the year ended 31 March 2016

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2015	3,447
At 31 March 2016	<u>3,447</u>
Depreciation	
At 1 April 2015	3,447
At 31 March 2016	<u>3,447</u>
Net book value	
At 31 March 2016	<u>-</u>

6 Debtors

	2016 £	2015 £
Trade debtors	172,537	124,471
Other debtors	16,699	18,893
	<u>189,236</u>	<u>143,364</u>

7 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	6,923	9,938
Trade creditors	2,855	-
Corporation tax	38,805	47,070
Other taxes and social security costs	43,849	41,432
Other creditors	11,914	2,793
	<u>104,346</u>	<u>101,233</u>

8 Share capital

	Nominal value	2016 Number	2016 £	2015 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	100	<u>100</u>	<u>100</u>

9 Profit and loss account

	2016 £
At 1 April 2015	296,216
Profit for the year	148,190
Dividends	(60,000)
	<u>384,406</u>
At 31 March 2016	<u>384,406</u>

Helpful Technology Limited
Notes to the Accounts
for the year ended 31 March 2016

10 Dividends	2016	2015
	£	£
Dividends for which the company became liable during the year:		
Dividends paid	<u>60,000</u>	<u>60,000</u>

11 Related party transactions	2016	2015
	£	£
Mr S Gray		
Director		
Dividends paid during the year to Mr S Gray	<u>60,000</u>	<u>60,000</u>
Social Simulator Ltd		
Mr S Gray is a director and shareholder of both Helpful Technology Ltd and Social Simulator Ltd.		
Sales to Social Simulator Ltd for rent	<u>24,000</u>	<u>15,928</u>
Sales to Social Simulator Ltd for web hosting.	<u>-</u>	<u>2,574</u>
Sales to Social Simulator Ltd for staff recharge.	<u>22,500</u>	<u>7,200</u>
Subcontractor costs charged by Social Simulator Ltd	<u>-</u>	<u>7,167</u>

12 Ultimate controlling party

The ultimate controlling party during the year was Mr S Gray, the director and shareholder.

Note to the financial statements: taxation

A Tax policy

The company adopted a tax policy on 1 April 2015. A copy is available on our website at <http://www.helpfultechnology.com/tax-and-financial-disclosure/policy>. The disclosure made in these financial statements comply with commitments made in that tax policy.

B Tax charge	2015
	£
UK corporation tax on profits for the year	37,739
Adjustment in respect of prior years	1,711
UK current tax charge	<u>39,450</u>
Deferred tax	0
Timing differences arising in the year	0
Adjustment in respect of prior years	0
UK deferred tax charge	<u>0</u>
Total UK tax charge for the year	<u>39,450</u>
C Tax reconciliation	2015
	£
Profit before tax	<u>187,640</u>
Tax due if paid at the applicable UK corporation tax rate (20%)	37,528
Adjusting items:	
Impact of capital allowances in excess of depreciation	0
Short term timing differences on the taxation of interest income	0
Adjustment to tax charge in prior period	0
Expenses not deductible for tax purposes	<u>211</u>
Current tax charge for the year	37,739
Adjustments relating to deferred taxation	
Impact of capital allowances in excess of depreciation	0
Short term timing differences on the taxation of interest income	<u>0</u>
Tax charge for the year	<u>37,739</u>
Effective current tax rate for the year	<u>20.1%</u>
Effective total tax rate for the year	<u>20.1%</u>

The company qualifies for the small companies rate of corporation tax in the UK, which was 20% throughout the financial year to which these financial statements relate.

Capital allowances are tax relief provided in law for the expenditure the company makes on fixed assets. The rates are determined by parliament annually, and at present much of the company's expenditure qualifies for 100% tax relief in the year in which it incurred. In other words, the cost is fully tax relieved in the year in which this spending takes place. This contrasts with the accounting treatment for such spending, where the expenditure on fixed assets is treated as an investment with the cost then being spread over the anticipated useful life of the assets.

The different accounting treatment of fixed assets for tax and accounting purposes means that the taxable income of the company is not the same as its accounting profit. In years when it is investing significantly in new equipment tax profits are lower than accounting profits and vice versa in years when limited investment occurs. The result is that when, as in the year to which these financial statements relate, the expenditure on fixed assets multiplied by the capital allowance rate (currently 100% in most cases) exceeds the accounting charge for depreciation, the current tax charge is lower than that expected when multiplying the current profits before tax by the headline tax rate.

Short term timing differences arise because the tax treatment of some sources of income, e.g. Interest received, is different for tax and accounting purposes. These differences usually automatically reverse in the year following that in which they arise, as is reflected in the deferred tax charge in these financial statements.

Adjustments to tax changes arising in earlier years arise for two reasons. The first is that, inevitably, the tax charge to be included in a set of financial statements has to be estimated before those financial statements are finalised. Such charges do, therefore, inevitably, include some estimates that are checked and refined before the company's corporation tax return for the year is submitted to HM Revenue & Customs, which may reflect a slightly different liability as a result. The second reason is that HM Revenue & Customs may not agree with the tax return that was submitted for a year and the tax liability for a previous year may be adjusted as a result. All the adjustments to the tax charge for prior periods noted in these financial statements arose for the first of these two reasons.

Some expenses any company occurs may be entirely appropriate charges for inclusion in its financial statements but are, nonetheless, not allowed as an offset against taxable income when calculating the company's tax liability for the same accounting period. Examples of such disallowable expenditure include business entertainment costs, some legal expenses and some repair costs on buildings and equipment where capital allowances are not available. Expenditure of this sort explains the expenses not deductible for tax purposes arising in the year.

As will be noted from the tax reconciliation, the process of adjustment that can give rise to current year adjustments to tax charges arising in previous periods can also give rise to revisions in prior year deferred tax estimates. This is why the current year adjustments to the current year tax charge for capital allowances and short term timing differences are not exactly replicated in the deferred taxation charge for the year.

D Cash Paid Reconciliation	2015
	£
Opening corporation tax liability at 01.04.2015	47,070
Add: current corporation tax liability for the year	39,450
Less: corporation tax paid in the year	<u>-48,781</u>
Closing corporation tax liability as at 31.03.2016	<u><u>37,739</u></u>

The corporation tax paid in the year represented the tax liability at 31.03.2015 together with any adjustments for the previous years

Helpful Technology Limited
Detailed profit and loss account
for the year ended 31 March 2016

	2016 £	2015 £
Sales		
Sales	<u>699,170</u>	<u>658,155</u>
Cost of sales		
Subcontractor costs	<u>72,919</u>	<u>122,334</u>
Administrative expenses		
Employee costs:		
Wages and salaries	258,878	157,398
Director's salary	8,052	7,956
Pensions	31,866	16,677
Employer's NI	27,755	16,519
Staff training and welfare	7,678	1,018
Travel and subsistence	7,784	5,941
Entertaining	1,055	2,329
	<u>343,068</u>	<u>207,838</u>
Premises costs:		
Rent	44,762	25,638
Use of home	208	208
	<u>44,970</u>	<u>25,846</u>
General administrative expenses:		
Telephone and fax	5,923	3,868
Postage	-	20
Stationery and printing	856	1,929
Subscriptions	272	-
Bank charges	280	445
Insurance	524	617
Equipment expensed	5,194	19,559
Software	32,611	26,195
Depreciation	-	696
Bad debts	-	10,666
Sundry expenses	1,334	450
	<u>46,994</u>	<u>64,445</u>
Legal and professional costs:		
Accountancy fees	950	950
Consultancy fees	-	2,000
Advertising and PR	3,894	2,063
Other legal and professional	590	392
	<u>5,434</u>	<u>5,405</u>
	<u>440,466</u>	<u>303,534</u>