

CLARITY LIMITED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

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for the year ended 31 December 2021

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CLARITY LIMITED
COMPANY INFORMATION
for the year ended 31 December 2021

DIRECTORS: A G G Jones
K J Jones
G J Bolton
G I G Jones
P J Collier

SECRETARY: K J Jones

REGISTERED OFFICE: 1 Crown Square
Woking
Surrey
GU21 6HR

REGISTERED NUMBER: 03466459 (England and Wales)

AUDITORS: HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

BALANCE SHEET
31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	4	53,838	5,226
Investments	5	<u>239,823</u>	<u>239,823</u>
		<u>293,661</u>	<u>245,049</u>
CURRENT ASSETS			
Debtors	6	1,134,706	884,009
Cash at bank and in hand		<u>2,742,696</u>	<u>2,634,900</u>
		<u>3,877,402</u>	<u>3,518,909</u>
CREDITORS			
Amounts falling due within one year	7	<u>(981,614)</u>	<u>(976,021)</u>
NET CURRENT ASSETS		<u>2,895,788</u>	<u>2,542,888</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,189,449</u>	<u>2,787,937</u>
CAPITAL AND RESERVES			
Called up share capital		10,751	10,751
Share premium	9	14,219	14,219
Retained earnings	9	<u>3,164,479</u>	<u>2,762,967</u>
SHAREHOLDERS' FUNDS		<u>3,189,449</u>	<u>2,787,937</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 15 June 2022 and were signed on its behalf by:

A G G Jones - Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

1. STATUTORY INFORMATION

Clarity Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Income is recognised net of VAT as follows:

- Fee income is recognised when the service has been performed if this can be easily determined; but if this cannot be easily determined, then any invoices raised in the last quarter of the year with a Nov or Dec start, it can be presumed that the service for them is more likely to be delivered in the next financial year, therefore this income is deferred. Likewise, it is presumed that any invoice which is raised after the y/e even if it relates to the financial year, it is more likely that the service has been delivered at the time of invoicing, therefore this income is not accrued.
- Investment management income is recognised in the period to which it relates.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Straight line over the life of the lease
Office equipment	- Straight line over 3 years
Fixtures and fittings	- Straight line over 5 years

The company has a policy for capitalising computer equipment costing > £1,000, anything less is expensed.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

CLARITY LIMITED (REGISTERED NUMBER: 03466459)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 34 (2020 - 29) .

4. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Office equipment £	Fixtures and fittings £	Totals £
COST				
At 1 January 2021	55,255	39,183	35,940	130,378
Additions	60,000	7,331	-	67,331
At 31 December 2021	115,255	46,514	35,940	197,709
DEPRECIATION				
At 1 January 2021	55,255	33,957	35,940	125,152
Charge for year	15,000	3,719	-	18,719
At 31 December 2021	70,255	37,676	35,940	143,871
NET BOOK VALUE				
At 31 December 2021	45,000	8,838	-	53,838
At 31 December 2020	-	5,226	-	5,226

5. **FIXED ASSET INVESTMENTS**

	Interest in joint venture £
COST	
At 1 January 2021 and 31 December 2021	239,823
NET BOOK VALUE	
At 31 December 2021	239,823
At 31 December 2020	239,823

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Joint venture

ClarityTV Ltd

Registered office:

Nature of business: To introduce clients to clarity Ltd

	% holding	2021 £	2020 £
Class of shares:			
Ordinary	51.00		
Aggregate capital and reserves		547,734	494,864
Profit for the year		77,493	24,623

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	135,102	234,929
Other debtors	-	40
Tax	246,147	-
Deferred tax	48,000	41,000
Prepayments and accrued income	705,457	608,040
	<u>1,134,706</u>	<u>884,009</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	17,989	10,912
Amounts owed to participating interests	50,633	49,260
Tax	-	184,878
Social security and other taxes	66,057	56,276
VAT	29,060	27,108
Other creditors	97,700	34,682
Accruals and deferred income	720,175	612,905
	<u>981,614</u>	<u>976,021</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	4,423	53,080
Between one and five years	-	4,423
	<u>4,423</u>	<u>57,503</u>

9. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 January 2021	2,762,967	14,219	2,777,186
Profit for the year	2,317,034		2,317,034
Dividends	(1,915,522)		(1,915,522)
At 31 December 2021	<u>3,164,479</u>	<u>14,219</u>	<u>3,178,698</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Lance Redman (Senior Statutory Auditor)
for and on behalf of HPCA Limited

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021

11. RELATED PARTY DISCLOSURES

The company owns 51% of clarityTV Ltd, a joint venture which it shares with a law firm, and during the financial year under the terms of this arrangement, it received a total of £503,798 (2020: £354,149) which in turn it passed on to the joint venture, and has charged service fees of £377,848 (2020: £265,612). The company also received a dividend of £12,558 (2020: £21,140) from clarityTV Ltd during the financial year, and at the balance sheet date, the amount payable to clarityTV Ltd was £50,633 (2020: £49,260).

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.