

CLARITY LIMITED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022

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CLARITY LIMITED
COMPANY INFORMATION
for the year ended 31 December 2022

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 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	4	83,249	53,838
Investments	5	<u>239,823</u>	<u>239,823</u>
		<u>323,072</u>	<u>293,661</u>
CURRENT ASSETS			
Debtors	6	826,238	1,134,706
Cash at bank and in hand		<u>2,856,872</u>	<u>2,742,696</u>
		<u>3,683,110</u>	<u>3,877,402</u>
CREDITORS			
Amounts falling due within one year	7	<u>(1,111,108)</u>	<u>(981,614)</u>
NET CURRENT ASSETS		<u>2,572,002</u>	<u>2,895,788</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,895,074</u>	<u>3,189,449</u>
CAPITAL AND RESERVES			
Called up share capital		10,751	10,751
Share premium	9	14,219	14,219
Retained earnings	9	<u>2,870,104</u>	<u>3,164,479</u>
SHAREHOLDERS' FUNDS		<u>2,895,074</u>	<u>3,189,449</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 28 June 2023 and were signed on its behalf by:

K J Jones - Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022

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 in the period to which it relates.
- 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 the life of the lease

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 34 (2021 - 34) .

CLARITY LIMITED (REGISTERED NUMBER: 03466459)**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the year ended 31 December 2022**4. TANGIBLE FIXED ASSETS**

	Short leasehold £	Office equipment £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	115,255	46,514	35,940	197,709
Additions	24,948	14,511	15,812	55,271
Disposals	(1,128)	-	(7,575)	(8,703)
At 31 December 2022	<u>139,075</u>	<u>61,025</u>	<u>44,177</u>	<u>244,277</u>
DEPRECIATION				
At 1 January 2022	70,255	37,676	35,940	143,871
Charge for year	17,367	6,736	1,757	25,860
Eliminated on disposal	(1,128)	-	(7,575)	(8,703)
At 31 December 2022	<u>86,494</u>	<u>44,412</u>	<u>30,122</u>	<u>161,028</u>
NET BOOK VALUE				
At 31 December 2022	<u>52,581</u>	<u>16,613</u>	<u>14,055</u>	<u>83,249</u>
At 31 December 2021	<u>45,000</u>	<u>8,838</u>	<u>-</u>	<u>53,838</u>

5. FIXED ASSET INVESTMENTS

	Interest in joint venture £
COST	
At 1 January 2022 and 31 December 2022	<u>239,823</u>
NET BOOK VALUE	
At 31 December 2022	<u>239,823</u>
At 31 December 2021	<u>239,823</u>

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	2022 £	2021 £
Class of shares:			
Ordinary	51.00		
Aggregate capital and reserves		553,537	547,734
Profit for the year		<u>83,296</u>	<u>77,493</u>

CLARITY LIMITED (REGISTERED NUMBER: 03466459)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade debtors	147,418	135,102
Other debtors	2,000	-
Tax	-	246,147
Deferred tax	30,000	48,000
Prepayments and accrued income	646,820	705,457
	<u>826,238</u>	<u>1,134,706</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	20,059	17,989
Amounts owed to participating interests	17,203	50,633
Tax	42,551	-
Social security and other taxes	59,218	66,057
VAT	27,584	29,060
Other creditors	99,803	97,700
Accruals and deferred income	844,690	720,175
	<u>1,111,108</u>	<u>981,614</u>

8. **LEASING AGREEMENTS**

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

	2022	2021
	£	£
Within one year	52,716	4,423
Between one and five years	71,986	-
	<u>124,702</u>	<u>4,423</u>

9. **RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 January 2022	3,164,479	14,219	3,178,698
Profit for the year	1,694,314		1,694,314
Dividends	(1,988,689)		(1,988,689)
At 31 December 2022	<u>2,870,104</u>	<u>14,219</u>	<u>2,884,323</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 2022

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 £408,730 (2021: £503,798) which in turn it passed on to the joint venture, and has charged service fees of £306,548 (2021: £377,848). The company also received a dividend of £39,521 (2021: £12,558) from clarityTV Ltd during the financial year, and at the balance sheet date, the amount payable to ClarityTV Ltd was £17,203 (2021: £50,633).

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.