

Registration number 06648026

Clarity Informatics Group Limited
CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 September 2013

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Clarity Informatics Group Limited

Company information

Directors	I N Purves D J Price M A Sowerby T Sewart
Company number	06648026
Registered office	Clayton House Clayton Road Jesmond Newcastle upon Tyne NE2 1TL
Bankers	Barclays Bank Plc Percy Street Newcastle upon Tyne NE1 4QL

Clarity Informatics Group Limited

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Clarity Informatics Group Limited

**Director's report
for the year ended 30 September 2013**

The directors present their report and the financial statements for the year ended 30 September 2013.

Principal activity

The principal activity of the group is consultancy and development in the field of health informatics software.

Directors

The directors who served during the year are as stated below:

I N Purves

D J Price

M A Sowerby

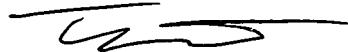
T Sewart

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on

and signed on its behalf by

16/6/14



**T Sewart
Director**

Clarity Informatics Group Limited

Profit and loss account for the year ended 30 September 2013

		2013	2012
	Notes	£	£
Turnover	2	3,692,384	3,224,723
Cost of sales		(2,455,630)	(2,774,794)
Gross profit		<u>1,236,754</u>	<u>449,929</u>
Administrative expenses		(1,120,723)	(1,224,606)
Operating profit/(loss)	3	<u>116,031</u>	<u>(774,677)</u>
Other interest receivable and similar income		243	763
Interest payable and similar charges		<u>(1,436)</u>	<u>(1,436)</u>
Profit/(loss) on ordinary activities before taxation		114,838	(775,350)
Tax on profit/(loss) on ordinary activities	5	<u>4,877</u>	<u>(94,542)</u>
Profit/(loss) for the year	14	<u>119,715</u>	<u>(869,892)</u>
Accumulated (loss)/profit brought forward		(867,489)	2,403
Accumulated loss carried forward		<u><u>(747,774)</u></u>	<u><u>(867,489)</u></u>

The notes on pages 6 to 13 form an integral part of these financial statements.

Clarity Informatics Group Limited

Balance sheet as at 30 September 2013

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	6		2,049,687		2,170,257
Tangible assets	7		190,302		234,696
			<u>2,239,989</u>		<u>2,404,953</u>
Current assets					
Debtors	8	562,937		457,354	
Cash at bank and in hand		492,405		128,325	
		<u>1,055,342</u>		<u>585,679</u>	
Creditors: amounts falling due within one year	9	<u>(1,507,279)</u>		<u>(1,311,859)</u>	
Net current liabilities			<u>(451,937)</u>		<u>(726,180)</u>
Total assets less current liabilities			1,788,052		1,678,773
Creditors: amounts falling due after more than one year	10		-		(3,262)
Provisions for liabilities			7,174		-
Accruals and deferred income	11		<u>(43,000)</u>		<u>(43,000)</u>
Net assets			<u>1,752,226</u>		<u>1,632,511</u>
Capital and reserves					
Called up share capital	13		2,500,000		2,500,000
Profit and loss account	14		<u>(747,774)</u>		<u>(867,489)</u>
Shareholders' funds			<u>1,752,226</u>		<u>1,632,511</u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 13 form an integral part of these financial statements.

Clarity Informatics Group Limited

**Company Balance Sheet
as at 30 September 2013**

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Investments			2,499,999		2,499,999
Current assets					
Cash at bank and in hand		1		1	
		<u>1</u>		<u>1</u>	
Net assets			<u>2,500,000</u>		<u>2,500,000</u>
Capital and reserves					
Called up share capital	13		<u>2,500,000</u>		<u>2,500,000</u>
Shareholders' funds			<u>2,500,000</u>		<u>2,500,000</u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 13 form an integral part of these financial statements.

Clarity Informatics Group Limited

Balance sheet (continued)

**Director's statements required by Sections 475(2) and (3)
for the year ended 30 September 2013**

For the year ended 30 September 2013 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors on

16/6/14

, and are signed on their behalf by:



T Sewart
Director

Registration number 06648026

The notes on pages 6 to 13 form an integral part of these financial statements.

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of Clarity Informatics Group Limited and all its subsidiary undertakings for the year. Subsidiaries acquired are consolidated using the acquisition method with their results being incorporated from the date that control passes. The differences between the cost of acquisition of shares in subsidiaries and the fair value of the separable net assets acquired is capitalised as purchased goodwill. All financial statements are made up to 30 September 2013.

All intra-group transactions, balances and unrealised gains on transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities.

1.3. Goodwill

Purchased goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired, is capitalised and amortised over 20 years from the commencement of the projects to which the goodwill is considered to relate.

1.4. Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost.

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

Fixtures, fittings and equipment	- 10% - 33% Straight Line
Office Equipment	- 10% - 33% Straight Line

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

1.5. Leasing and hire purchase commitments

HIRE PURCHASE AGREEMENTS

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

OPERATING LEASE AGREEMENTS

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6. Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1.7. Deferred taxation

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non discounted basis at the average tax rate that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

1.8. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

An analysis of turnover is given below:

	2013	2012
	%	%
Percentage of turnover to non-UK markets	0.0%	0.1%

3. Operating profit/(loss)

	2013	2012
	£	£
Depreciation and other amounts written off intangible assets	120,570	120,570
Depreciation		
- written off owned tangible fixed assets	45,843	39,010
- written off tangible fixed assets on HP/Finance lease	3,915	3,915
Operating lease rentals		
- Land and buildings	170,000	170,000
- Motor vehicles	4,075	327
Auditors' remuneration (Note)	-	700

4. Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

5. Tax on profit/(loss) on ordinary activities

Analysis of charge in period	2013 £	2012 £
Current tax		
UK corporation tax	2,297	(1)
Adjustments in respect of previous periods	-	(61,704)
	<u>2,297</u>	<u>(61,705)</u>
Total current tax charge	<u>2,297</u>	<u>(61,705)</u>
Deferred tax		
Timing differences, origination and reversal	(2,022)	64,440
Effect of changes in tax rates	(5,152)	(10,687)
Prior period adjustments	-	102,494
	<u>(7,174)</u>	<u>156,247</u>
Tax on profit/(loss) on ordinary activities	<u>(4,877)</u>	<u>94,542</u>

6. Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2012	2,170,257
At 30 September 2013	<u>2,170,257</u>
Amortisation	
Charge for year	120,570
At 30 September 2013	<u>120,570</u>
Net book values	
At 30 September 2013	<u>2,049,687</u>
At 30 September 2012	<u>2,170,257</u>

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

7. Tangible fixed assets	Fixtures, fittings and equipment £	Office Equipment £	Total £
Cost			
At 1 October 2012	2,631	289,659	292,290
Additions	-	5,364	5,364
At 30 September 2013	<u>2,631</u>	<u>295,023</u>	<u>297,654</u>
Depreciation			
At 1 October 2012	928	56,666	57,594
Charge for the year	877	48,881	49,758
At 30 September 2013	<u>1,805</u>	<u>105,547</u>	<u>107,352</u>
Net book values			
At 30 September 2013	<u>826</u>	<u>189,476</u>	<u>190,302</u>
At 30 September 2012	<u>1,703</u>	<u>232,993</u>	<u>234,696</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	2013		2012	
Asset description	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Equipment	<u>28,385</u>	<u>3,915</u>	<u>32,300</u>	<u>3,915</u>

8. Debtors	2013 £	2012 £
Trade debtors	453,731	304,458
Other debtors	5,836	66,715
Prepayments and accrued income	<u>103,370</u>	<u>86,181</u>
	<u>562,937</u>	<u>457,354</u>

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

9. Creditors: amounts falling due within one year	2013	2012
	£	£
Net obligations under finance leases and hire purchase contracts	3,263	13,051
Trade creditors	103,424	140,226
Corporation tax	2,297	-
Other taxes and social security costs	245,959	157,612
Other creditors	301	381
Accruals and deferred income	1,141,823	993,656
Pension contributions	10,212	6,933
	<u>1,507,279</u>	<u>1,311,859</u>
10. Creditors: amounts falling due after more than one year	2013	2012
	£	£
Net obligations under finance leases and hire purchase contracts	-	3,262
11. Accruals and deferred income	2013	2012
	£	£
Government grants		
At 1 October 2012	43,000	43,000
At 30 September 2013	<u>43,000</u>	<u>43,000</u>

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

12. Provision for deferred taxation	2013	2012
	£	£
Accelerated capital allowances	11,612	21,390
Deferred tax not provided	140,387	233,391
Other timing differences	(2,042)	(741)
Tax losses carried forward	(157,131)	(254,040)
Provision for deferred tax	<u>(7,174)</u>	<u>-</u>
Provision at 1 October 2012	-	
Deferred tax credit in profit and loss account	<u>(7,174)</u>	
Provision at 30 September 2013	<u>(7,174)</u>	
13. Share capital	2013	2012
	£	£
Authorised		
2,500,000 Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>
Allotted, called up and fully paid		
2,500,000 Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>
Equity Shares		
2,500,000 Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>
14. Reserves		Profit and loss account
		£
At 1 October 2012		(867,489)
Profit for the year		<u>119,715</u>
At 30 September 2013		<u>(747,774)</u>

Clarity Informatics Group Limited

Notes to the financial statements for the year ended 30 September 2013

..... continued

15. Financial commitments

At 30 September 2013 the company had annual commitments under non-cancellable operating leases as follows:

	2013	2012
	£	£
Expiry date:		
Within one year	3,601	3,928
Between one and five years	-	3,601
In over five years	200,000	200,000
	<u>203,601</u>	<u>207,529</u>

16. Related party transactions

No individual holds a controlling interest in Clarity Informatics Group Limited.

The company has taken advantage of the exemption conferred to it under the Financial Reporting Standard for Smaller Entities (effective April 2008) from disclosure of transactions with its 100% subsidiaries.