

Choose Clarity Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 January 2020

Choose Clarity Ltd

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Company Information

Directors Jake Rudlin
Sam Gordon Burns

Company secretary Sam Gordon Burns

Registered office Kemp House
160 City Road
London
EC1V 2NX

Accountants Square Accounting
5 Albert Road
Southsea
Hampshire
PO5 2SE

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(Registration number: 09972021) Balance Sheet as at 31 January 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	2,232	2,247
Current assets			
Debtors	<u>6</u>	19,595	3,872
Cash at bank and in hand		<u>3</u>	<u>924</u>
		19,598	4,796
Creditors: Amounts falling due within one year	<u>7</u>	<u>(21,830)</u>	<u>(6,829)</u>
Net current liabilities		<u>(2,232)</u>	<u>(2,033)</u>
Net assets		<u>-</u>	<u>214</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>(100)</u>	<u>114</u>
Total equity		<u>-</u>	<u>214</u>

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

Directors' 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 financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26 January 2021 and signed on its behalf by:

.....

Sam Gordon Burns
Company secretary and director

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Kemp House
160 City Road
London
EC1V 2NX

These financial statements were authorised for issue by the Board on 26 January 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared under the historical cost convention and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

Prior period errors

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies that have any significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year..

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer Equipment	3 years straight line

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 2 (2019 - 2).

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 February 2019	2,889	2,889
Additions	1,314	1,314
At 31 January 2020	4,203	4,203
Depreciation		
At 1 February 2019	642	642
Charge for the year	1,329	1,329
At 31 January 2020	1,971	1,971
Carrying amount		
At 31 January 2020	2,232	2,232
At 31 January 2019	2,247	2,247

5 Stocks

	2020 £	2019 £
6 Debtors		
	2020 £	2019 £
Other debtors	19,595	3,872
	19,595	3,872

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	8,111	-
Taxation and social security		13,604	5,893
Accruals and deferred income		115	936
		21,830	6,829

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

8 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	8,111	-

9 Related party transactions

Transactions with directors

	At 1 February 2019 £	Advances to directors £	At 31 January 2020 £
2020			
Sam Gordon Burns			
Interest free loan	1,070	4,918	5,988
Jake Rudlin			
Interest free loan	2,802	10,805	13,607

	At 1 February 2018 £	Advances to directors £	At 31 January 2019 £
2019			
Sam Gordon Burns			
Interest free loan	50	1,020	1,070
Jake Rudlin			
Interest free loan	50	2,752	2,802

Southsea

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.