

Company number: 07921508

CLEARSPRINGS READY HOMES LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2015

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Clearsprings Ready Homes Ltd

Company Information

Directors	J Vyvyan-Robinson MBE R Slatter S Lakey
Company Number	07921508
Registered Office	26 Brook Road Brook Road Business Park Rayleigh SS6 7XJ
Auditors	Grant Thornton UK LLP 80 Compair Crescent Ipswich IP2 0EH
Bankers	Barclays Priory Place New London Road Chelmsford CM2 0PP

Clearsprings Ready Homes Ltd

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Clearsprings Ready Homes Ltd
Directors' Report
for the year ended 31 January 2015

The directors submit their report and the financial statements of Clearsprings Ready Homes Ltd for the year ended 31 January 2015.

Directors

The following directors have held office during the period:

J Vyvyan-Robinson MBE
R Slatter
S Lakey

Going concern

The company has shareholders' funds and net current assets. Management are confident based upon forecasts that the company 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 financial statements.

Auditors

The auditors, Grant Thornton UK LLP, Chartered Accountants, have indicated their willingness to continue in office.

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report, the strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

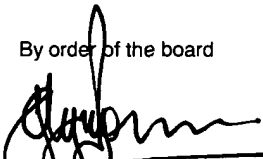
Statement as to disclosure of information to auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board


J Vyvyan-Robinson
Director

29 October 2015

Clearsprings Ready Homes Ltd
Strategic Report
for the year ended 31 January 2015

Principal activities

The company operates five year contracts with the Home Office for the provision of asylum accommodation, support and transport services in London and the South of England, and in Wales.

Review of the business and future developments

The company continues to operate its contracts with the Home Office for the provision of transport, accommodation and support to asylum seekers in Wales and the south of England. These contracts continue to 2017 and may be extended.

Principal risks and mitigation

The company manages its exposure to the normal credit risk and cash flow risk associated with credit sales through credit control procedures. UK government departments account for a significant proportion of debtors. The nature of the company's financial instruments and significant cash balances means that they are not currently subject to price or liquidity risk.

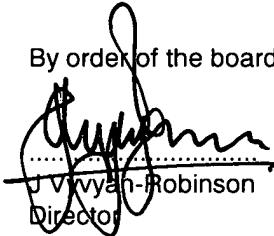
The risk to the company of losing business is countered by an ongoing programme to reduce costs through use of technology and an operating model using home-based staff where possible, an approach which maintains the ability to win contracts on price without sacrificing quality. Operations are accredited to ISO 9001, ISO 14001, OHSAS 18001 and ISO 27001 standards.

Key performance indicators

The average number of service users accommodated in the year was 5,481 (2014: 4,832).

Carbon dioxide emissions amounted to 2.91 tonnes (2014: 3.09 tonnes) per service user in the year.

By order of the board



J Vivyan-Robinson
Director

29 October 2015

Clearsprings Ready Homes Ltd

**Independent auditor's report to the members of Clearsprings Ready Homes Ltd
for the year ended 31 January 2015**

We have audited the financial statements of Clearsprings Ready Homes Ltd for the year ended 31 January 2015 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express our opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2015 and its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the strategic report for the period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP

JAMES BROWN
Senior Statutory Auditor
For and on behalf of GRANT THORNTON UK LLP
Statutory Auditor
Chartered Accountants
Ipswich

29 October 2015

Clearsprings Ready Homes Ltd

**Company Profit and Loss Account
for the year ended 31 January 2015**

	Notes	2015 £	2014 £
Turnover	2	28,744,850	24,295,082
Cost of sales		(25,810,189)	(21,892,454)
		<hr/>	<hr/>
Gross profit		2,934,661	2,402,628
Administrative expenses		(2,201,810)	(1,878,764)
		<hr/>	<hr/>
Operating profit	3	732,851	523,864
Interest received		9,479	637
Interest payable		(511)	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		741,819	524,501
Taxation	4	89,153	(94,945)
		<hr/>	<hr/>
Profit on ordinary activities after taxation	11	830,972	429,556
		<hr/> <hr/>	<hr/> <hr/>

There are no recognised gains or losses for the period other than the above profit.

The notes on pages 6 to 10, including those on accounting policies, form part of these financial statements.

Clearsprings Ready Homes Ltd

Company Balance Sheet
as at 31 January 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	5		22,574		8,126
Current assets					
Stock		29,467		22,420	
Debtors	6	5,411,503		3,524,934	
Cash at bank and in hand		4,666		165	
		<u>5,445,636</u>		<u>3,547,519</u>	
Creditors: amounts falling due within one year	7	(4,168,687)		(3,088,584)	
Net current assets			1,276,949		458,935
Total assets less current liabilities			<u>1,299,523</u>		<u>467,061</u>
Provisions for liabilities	8		(3,115)		(1,625)
Net assets			<u><u>1,296,408</u></u>		<u><u>465,436</u></u>
Capital and reserves					
Called up share capital	10		10		10
Profit and loss account	11		1,296,398		465,426
Shareholders' funds	12		<u><u>1,296,408</u></u>		<u><u>465,436</u></u>

The financial statements on pages 4 to 10 were approved by the board of directors and authorised for issue on 29 October 2015 and are signed on its behalf by:


 J. J. Robynson
 Director

The notes on pages 6 to 10, including those on accounting policies, form part of these financial statements.

Clearsprings Ready Homes Ltd

Notes to the Financial Statements for the year ended 31 January 2015

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Clearsprings (Management) Limited is the immediate and ultimate parent company and the largest and smallest group for which group accounts are prepared. The accounts of Clearsprings (Management) Limited are publicly available from Companies House.

1.2 Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for the provision of accommodation and other services. Income arises under the asylum and bail contracts on a daily basis, and is recognised in the financial statements for the period in which each day falls. Turnover also represents the invoiced value, net of Value Added Tax, of goods sold, work carried out and services provided to customers, recognised on an accruals basis.

1.4 Leasing and hire purchase commitments

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

1.6 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in periods in which timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non discounted basis.

1.7 Going concern

The company has shareholders' funds and net current assets. Management are confident based upon forecasts that the company 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 financial statements.

1.8 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

Clearsprings Ready Homes Ltd

**Notes to the Financial Statements
for the year ended 31 January 2015**

2 Turnover

The company's turnover was entirely within the United Kingdom.

3 Operating profit

Operating profit is stated after charging:

	2015	2014
	£	£
Depreciation of tangible assets	4,771	1,899
Operating lease rentals		
- Land and buildings	7,440,401	6,586,718
Auditors' remuneration	9,000	9,000
Directors' emoluments	95,007	79,680
Pension contributions in respect of directors	2,244	2,174
Defined contribution pension cost (including directors)	<u>27,622</u>	<u>25,197</u>

4 Taxation

	2015	2014
	£	£
Domestic current year tax		
UK corporation tax	-	93,320
Adjustment in respect of prior period	(90,643)	-
Current tax charge	<u>(90,643)</u>	<u>93,320</u>
Deferred tax		
Deferred tax charge current period	1,490	1,625
	<u>(89,153)</u>	<u>94,945</u>

Factors affecting the tax charge for the year

Profit on ordinary activities before taxation	<u>741,819</u>	<u>524,501</u>
Profit on ordinary activities before taxation multiplied by the UK rate of corporation tax of 21.33% (2014: 23.17%)	158,156	121,511
Effects of:		
Difference between capital allowances and depreciation	(1,588)	-
Group relief	(156,568)	(25,936)
Disallowed expenses	-	(2,255)
Adjustment in respect of prior period	(90,643)	-
Current tax charge	<u>(90,643)</u>	<u>93,320</u>

Clearsprings Ready Homes Ltd

**Notes to the Financial Statements
for the year ended 31 January 2015**

5 Tangible fixed assets

	Computer equipment and software £	Fixtures, fittings & equipment £	Total £
Cost/Valuation			
At 1 February 2014	896	9,129	10,025
Additions	4,339	14,880	19,219
At 31 January 2015	<u>5,235</u>	<u>24,009</u>	<u>29,244</u>
Depreciation			
At 1 February 2014	246	1,653	1,899
Charge for the year	896	3,875	4,771
At 31 January 2015	<u>1,142</u>	<u>5,528</u>	<u>6,670</u>
Net book value			
At 31 January 2015	<u>4,093</u>	<u>18,481</u>	<u>22,574</u>
At 31 January 2014	<u>650</u>	<u>7,476</u>	<u>8,126</u>

6 Debtors

	2015 £	2014 £
Trade debtors	251,488	235,479
Amounts owed by group undertakings	2,674,153	745,788
Prepayments and accrued income	2,464,048	2,526,094
Other debtors	18,876	17,573
Corporation tax	2,938	-
	<u>5,411,503</u>	<u>3,524,934</u>

7 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,372,593	1,183,916
Amounts owed to group undertakings	22,148	9,705
Corporation tax	-	93,320
Other tax and social security	354,538	134,667
Accruals and deferred income	2,419,408	1,666,976
	<u>4,168,687</u>	<u>3,088,584</u>

Clearsprings Ready Homes Ltd

**Notes to the Financial Statements
for the year ended 31 January 2015**

8 Provision for liabilities

	Deferred tax liability £
Balance at 1 February 2014	1,625
Profit and loss account	1,490
Balance at 31 January 2015	3,115

Deferred Tax

The deferred tax liability is based on accelerated capital allowances and other timing differences.

9 Pension costs

	2015 £	2014 £
Contributions payable by the company for the period	27,622	25,197
Number of directors to whom benefits under money purchase schemes are accruing:	1	1

10 Share capital

	2015 £	2014 £
Allotted, called up and fully paid 10 Ordinary Shares of £1 each	10	10

The above shares were all allotted on incorporation at nominal value.

11 Statement of movements on profit and loss account

	2015 £	2014 £
Balance at 1 February 2014	465,426	35,870
Profit for the period	830,972	429,556
Balance at 31 January 2015	1,296,398	465,426

12 Reconciliation of movements in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	465,436	35,880
Profit for the financial period	830,972	429,556
Closing shareholders' funds	1,296,408	465,436

Clearsprings Ready Homes Ltd

Notes to the Financial Statements for the year ended 31 January 2015

13 Financial Commitments

At 31 January 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 January 2016:

	Land & buildings 2015 £	Land & buildings 2014 £
Operating leases which expire:		
In less than one year	590,100	548,400
In 2 to 5 years	<u>126,000</u>	<u>126,000</u>
	<u><u>716,100</u></u>	<u><u>674,400</u></u>

14 Employees

The average monthly number of employees was 65 (2014: 62).

The number of directors to whom benefits are accruing under money purchase schemes was 1 (2014: 1).

Employment costs	2015 £	2014 £
Wages and salaries	1,519,262	1,388,677
Social security costs	134,201	128,943
Other pension costs	<u>27,622</u>	<u>25,197</u>
	<u><u>1,681,085</u></u>	<u><u>1,542,817</u></u>

15 Control

The company is controlled by G King and J King, via shareholdings in Clearsprings (Management) Limited.

16 Related party transactions

The company has chosen to take advantage of the provisions of Financial Reporting Standard 8 not to disclose transactions with group entities that are wholly owned within the group.