

Company number: 07921508

CLEARSPRINGS READY HOMES LTD
(formerly Clearel Ltd)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD 24 JANUARY 2012 TO 31 JANUARY 2013

SATURDAY



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27/07/2013
COMPANIES HOUSE

**Clearsprings Ready Homes Ltd
(formerly Clearel 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 Crown House Crown Street Ipswich IP1 3HS
Bankers	Barclays Mortlock House Histon Cambridge CB24 9DE

**Clearsprings Ready Homes Ltd
(formerly Clearel Ltd)**

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**Cleasprings Ready Homes Ltd
(formerly Clearel Ltd)**

**Directors' Report
for the period 24 January 2012 to 31 January 2013**

The directors submit their report and the financial statements of Cleasprings Ready Homes Ltd for period from the company's formation on 24 January 2012 to 31 January 2013

Principal activities

In March 2012 the company was awarded five year contracts with the Home Office for provision of asylum accommodation, support and transport services for London and the south of England, and for Wales. These contracts are the company's principal activity. The company changed its name from Clearel Ltd to Cleasprings Ready Homes Ltd on 12 December 2012.

Review of the business and future developments

Cleasprings Ready Homes Ltd successfully operated its new five year contracts with the Home Office to provide transport, accommodation and support to asylum seekers in Wales and the south of England.

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.

Directors

The following directors have held office during the period

J Vyvyan-Robinson MBE	(Appointed 3 February 2012)
R Slatter	(Appointed 24 January 2012)
S Lakey	(Appointed 12 December 2012)

Auditors

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

Directors' responsibilities

The directors are responsible for preparing the Directors' 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 group and the company and of the profit or loss of the group for that period.

**Clearsprings Ready Homes Ltd
(formerly Clearel Ltd)**

**Directors' Report
for the period 24 January 2012 to 31 January 2013**

In preparing those financial statements, the directors are required to

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

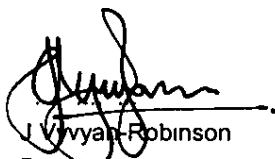
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements 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 who are in office on the date of approval of the financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they 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 it has been communicated to the auditor.

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

On behalf of the board


J. Vivyan-Robinson
Director

17 July 2013

**Clearsprings Ready Homes Ltd
(formerly Clearel Ltd)**

**Independent Auditors' Report to the members of Clearsprings Ready Homes Ltd
for the period 24 January 2012 to 31 January 2013**

We have audited the financial statements of Clearsprings Ready Homes Ltd for the period 24 January 2012 to 31 January 2013 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 auditors

As more fully explained in the Directors' Responsibilities Statement set out on pages 1 and 2, 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 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2013 and its profit for the period 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.

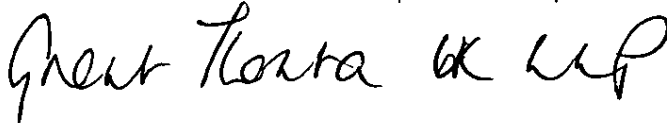
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report 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.



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

24 July 2013

**Clearsprings Ready Homes Ltd
(formerly Clearel Ltd)**

**Company Profit and Loss Account
for the period 24 January 2012 to 31 January 2013**

	Notes	2013 £
Turnover	2	12,997,070
Cost of sales		(11,086,945)
Gross profit		1,910,125
Administrative expenses		(1,870,792)
Operating profit	3	39,333
Investment income		955
Profit on ordinary activities before taxation		40,288
Taxation	4	(4,418)
Profit on ordinary activities after taxation	9	35,870

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

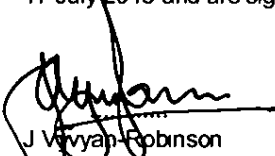
The notes on pages 6 to 10 form part of these financial statements

**Clearsprings Ready Homes Ltd
(formerly Clearel Ltd)**

**Company Balance Sheet
as at 31 January 2013**

	Notes	2013 £	2013 £
Current assets			
Stock		32,415	
Debtors	5	2,248,858	
Cash at bank and in hand		<u>2,090,093</u>	
		4,371,366	
Creditors: amounts falling due within one year	6	(4,335,486)	
Net current assets			<u>35,880</u>
Total assets less current liabilities			<u>35,880</u>
Net assets			<u><u>35,880</u></u>
Capital and reserves			
Called up share capital	8		10
Profit and loss account	9		<u>35,870</u>
Shareholders' funds	10		<u><u>35,880</u></u>

The financial statements on pages 3 to 10 were approved by the board of directors and authorised for issue on 17 July 2013 and are signed on its behalf by


J Vivyan Robinson
Director

The notes on pages 6 to 10 form part of these financial statements

**Clearsprings Ready Homes Ltd
(formerly Clearel Ltd)**

**Notes to the Financial Statements
for the period 24 January 2012 to 31 January 2013**

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.

**Clearsprings Ready Homes Ltd
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**Notes to the Financial Statements
for the period 24 January 2012 to 31 January 2013**

2 Turnover

The company's turnover was entirely within the United Kingdom

3 Operating profit

Operating profit is stated after charging

	2013 £
Operating lease rentals	
- Land and buildings	4,014,779
Auditors' remuneration	9,000
Directors' emoluments	11,108
Pension contributions in respect of directors	290
Defined contribution pension cost (including directors)	<u>10,666</u>

4 Taxation

	2013 £
Domestic current year tax	
UK corporation tax	4,418
Current tax charge	<u>4,418</u>
Deferred tax	
Deferred tax charge current period	-
	<u>4,418</u>
Factors affecting the tax charge for the year	
Profit on ordinary activities before taxation	<u>40,288</u>
Profit on ordinary activities before taxation multiplied by the lower rate of UK corporation tax of 20%	8,058
Group relief	(3,640)
Current tax charge	<u>4,418</u>

**Clearsprings Ready Homes Ltd
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**Notes to the Financial Statements
for the period 24 January 2012 to 31 January 2013**

5	Debtors	2013
		£
	Trade debtors	270,310
	Prepayments and accrued income	1,952,240
	Other debtors	26,308
		<u>2,248,858</u>
6	Creditors, amounts falling due within one year	2013
		£
	Trade creditors	1,069,794
	Amounts owed to group undertakings	1,544,508
	Corporation tax	4,418
	Other tax and social security	176,970
	Other creditors	76
	Accruals and deferred income	1,539,720
		<u>4,335,486</u>

**Clearsprings Ready Homes Ltd
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**Notes to the Financial Statements
for the period 24 January 2012 to 31 January 2013**

7	Pension costs	2013 £
	Contributions payable by the company for the period	10,666
	Number of directors to whom benefits under money purchase schemes are accruing	<u>1</u>
8	Share capital	2013 £
	Allotted, called up and fully paid 10 Ordinary Shares of £1 each	<u>10</u>
	The above shares were all allotted on incorporation at nominal value	
9	Statement of movements on profit and loss account	Profit and loss account £
	Profit for the period	35,870
	Balance at 31 January 2013	<u>35,870</u>
10	Reconciliation of movements in shareholders' funds	2013 £
	Profit for the financial period	35,870
	Opening shareholders' funds	-
	Shares issued in period	10
	Closing shareholders' funds	<u>35,880</u>

**Clearsprings Ready Homes Ltd
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**Notes to the Financial Statements
for the period 24 January 2012 to 31 January 2013**

11 Financial Commitments

At 31 January 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 January 2014

	Land & buildings 2013 £
Operating leases which expire in less than one year	596,671
In 2 to 5 years	<u>126,000</u>
	<u><u>722,671</u></u>

12 Employees

The average monthly number of employees was 55

Employment costs

	2013 £
Wages and salaries	811,707
Social security costs	56,939
Other pension costs	<u>10,666</u>
	<u><u>879,312</u></u>

13 Control

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

14 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