

Registration number: 06636109 (England and Wales)

**CLEAR BOOKS PLC**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**CLEAR BOOKS PLC**  
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**CLEAR BOOKS PLC**  
**COMPANY INFORMATION**

**Directors** T J W Fouracre  
P S Maunders (appointed 1 April 2014)  
E S Fouracre (appointed 1 April 2014)  
B McLoughlin (appointed 1 April 2014)

**Company secretary** J R Fouracre

**Registered office** Masters House  
107 Hammersmith Road  
London  
W14 OQH

**Auditors** Harmer Slater Limited  
Statutory Auditor  
Salatin House  
19 Cedar Road  
Sutton  
Surrey  
SM2 5DA

**Clear Books plc**  
**Strategic Report for the Year Ended 31 March 2014**

The directors present their strategic report for the year ended 31 March 2014.

**Principal activity**

The principal activity of the company is the provision of online accounting software.

On 9 September 2013 the company re-registered under the Companies Act 2006 from a private company to a public company.

**Business review**

***Fair review of the business***

The Company's financial year has been characterised by living and breathing our mission to work together in business to support small British businesses.

The Company worked together with customers and shareholders when we re-registered as a plc and successfully raised £842,764.86 in an innovative crowdfunding initiative. This investment provided the opportunity to pursue a key go-to-market strategy which ultimately saw us establish Clear Books Pro. Clear Books Pro focuses on partnering with accountants in practice to on-board their clients onto our cloud accounting and payroll software.

The team moved into a new home during the year as we took on the lease for 4,000 sq. ft. of office space at Lyric House, 149 Hammersmith Road, London. This was to accommodate anticipated growth and the team has been expanding in all departments since.

Customer numbers and revenue have continued to grow throughout the year and I am pleased to report that we grew our top line revenue by 74% to £822,919.

The company's key financial and other performance indicators during the year were as follows:

	2014	2013
	£	£
Turnover	822,919	473,565
Gross profit	696,749	351,956

***Principal risks and uncertainties***

As a technology company our biggest asset is our people. Retaining and recruiting the best people, who fit in with our culture, is an on-going challenge.

The Company's core purpose is to provide software as a service. Therefore a problem with the software or the hosting of the software is an area of operational and reputational risk. The Company mitigates this risk by striving to work to best practices in its approach to development and hosting.

The cloud accounting software market in the UK is an emerging subset of the larger accounting software market, both of which are increasingly competitive with both smaller and larger vendors. There is a risk that the Company's growth rates cannot be sustained due to competitive pressures.

**Clear Books plc**  
**Strategic Report for the Year Ended 31 March 2014**

*..... continued*

Approved by the Board on 12 June 2014 and signed on its behalf by:



.....  
T J W Fouracre  
Director

**CLEAR BOOKS PLC**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their report and the audited financial statements for the year ended 31 March 2014.

**Financial risk management**

***Objectives and policies***

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**Credit risk**

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from clients. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company trades only with recognised, creditworthy third parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

**Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework that aims to ensure that the Company has sufficient cash or credit facilities at all times to meet all current and forecast liabilities as they fall due.

**Other risks**

The Company's exposure to other risks such as prices, interest and cash flow is within reasonable limits and these exposures are not hedged.

**Directors of the company**

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Fubra Limited (Resigned 1 April 2014)

T J W Fouracre

P S Maunders (appointed 1 April 2014)

E S Fouracre (appointed 1 April 2014)

B McLoughlin (appointed 1 April 2014)

**Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information (as defined by section 418 of the Companies Act 2006) and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

**CLEAR BOOKS PLC**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**Reappointment of auditors**

During the year, the directors appointed Harmer Slater Limited to act as the company's auditors. The auditors Harmer Slater Limited are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Approved by the Board on 12 June 2014 and signed on its behalf by:

  
.....  
T J W Fouracre  
Director

**CLEAR BOOKS PLC**  
**STATEMENT OF 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 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 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; and
- 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 company's transactions and disclose with reasonable accuracy at any time the financial position of 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CLEAR BOOKS PLC**

We were engaged to audit the financial statements of Clear Books plc for the year ended 31 March 2014, set out on pages 9 to 21. 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 Statement of Directors' Responsibilities (set out on page 6), 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 an 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. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Basis for disclaimer of opinion on financial statements**

There was no requirement for an audit of the financial statements of Clearbooks for the year ended 31 March 2013. The comparative figures are therefore unaudited.

### **Disclaimer on view given by the financial statements**

Because of the possible effect to the financial statements of the above we are unable to form an opinion as to whether the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
CLEAR BOOKS PLC**

**(CONTINUED)**

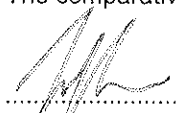
**Matters on which we are required to report by exception**

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.

**Other matter**

There was no requirement for an audit of the financial statements for the year ended 31 March 2013. The comparative figures are therefore unaudited.

  
.....  
Timothy Slater (Senior Statutory Auditor)  
For and on behalf of Harmer Slater Limited  
Statutory Auditors

Salatin House  
19 Cedar Road  
Sutton  
SM2 5DA

12 June 2014

**CLEAR BOOKS PLC**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014**

	Note	2014 £	2013 £
Turnover	2	822,919	473,565
Cost of sales		<u>(126,170)</u>	<u>(121,609)</u>
<b>Gross profit</b>		696,749	351,956
Administrative expenses		(807,511)	(519,260)
Other operating income		<u>5,000</u>	<u>(823)</u>
<b>Operating loss</b>	3	(105,762)	(168,127)
Other interest receivable and similar income	7	<u>1,188</u>	<u>-</u>
<b>Loss on ordinary activities before taxation</b>		(104,574)	(168,127)
Tax on profit or loss on ordinary activities	8	<u>54,454</u>	<u>103,253</u>
<b>Loss for the financial year</b>		<u><u>(50,120)</u></u>	<u><u>(64,874)</u></u>

**Continuing operations**

Turnover and operating profit derive wholly from continuing operations.

**Total recognised gains and losses**


The company has no recognised gains or losses for the year other than the results above.

The notes on pages 13 to 21 form an integral part of these financial statements.

**CLEAR BOOKS PLC**  
**(REGISTRATION NUMBER: 06636109)**  
**BALANCE SHEET AT 31 MARCH 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible fixed assets	9	<u>71,407</u>	<u>35,546</u>
<b>Current assets</b>			
Debtors	10	131,738	106,414
Cash at bank and in hand		<u>818,030</u>	<u>228,009</u>
		949,768	334,423
<b>Creditors: Amounts falling due within one year</b>	11	<u>(118,675)</u>	<u>(228,236)</u>
<b>Net current assets</b>		<u>831,093</u>	<u>106,187</u>
<b>Total assets less current liabilities</b>		902,500	141,733
Creditors: Amounts falling due after more than one year	12	-	(97,110)
Provisions for liabilities	13	<u>(14,281)</u>	<u>(7,109)</u>
<b>Net assets</b>		<u>888,219</u>	<u>37,514</u>
<b>Capital and reserves</b>			
Called up share capital	14	211	200
Share premium account	15	887,016	299,990
Profit and loss account	15	<u>992</u>	<u>(262,676)</u>
<b>Shareholders' funds</b>		<u>888,219</u>	<u>37,514</u>

Approved and authorised for issue by the Board on 12 June 2014 and signed on its behalf by:



.....  
T J W Fouracre  
Director

**CLEAR BOOKS PLC**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014**

**Reconciliation of operating loss to net cash flow from operating activities**

	2014 £	2013 £
Operating loss	(105,762)	(168,127)
Depreciation, amortisation and impairment charges	20,351	20,139
Loss on disposal of fixed assets	-	6,944
Increase in debtors	(29,608)	(27,439)
Decrease in creditors	(205,813)	(37,334)
Loss on disposal of fixed asset investments	-	2,000
Net cash outflow from operating activities	<u>(320,832)</u>	<u>(203,817)</u>

**Cash flow statement**

	2014 £	2013 £
Net cash outflow from operating activities	<u>(320,832)</u>	<u>(203,817)</u>
<b>Returns on investments and servicing of finance</b>		
Interest received	1,188	-
Taxation received	65,910	22,238
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(56,211)	(22,007)
Sale of tangible fixed assets	-	(6,944)
Sale of investments	-	(2,000)
	<u>(56,211)</u>	<u>(30,951)</u>
Net cash outflow before management of liquid resources and financing	(309,945)	(212,530)
<b>Financing</b>		
Issue of shares	900,825	300,188
Increase in cash	<u>590,880</u>	<u>87,658</u>

The notes on pages 13 to 21 form an integral part of these financial statements.

CLEAR BOOKS PLC  
 CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014  
 (CONTINUED)

Reconciliation of net cash flow to movement in net debt

	Note	2014 £	2013 £
Increase in cash		<u>590,880</u>	<u>87,658</u>
Movement in net debt	19	590,880	87,658
Net funds at 1 April	19	<u>227,150</u>	<u>139,492</u>
Net funds at 31 March	19	<u><u>818,030</u></u>	<u><u>227,150</u></u>

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**1 ACCOUNTING POLICIES**

**Going concern**

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been raised by the directors.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the Companies Act 2006 and applicable accounting standards.

In accordance with Financial Reporting Standard No 18 "Accounting Policies" the company's directors have reviewed the company's accounting policies and confirm that they continue to be the most appropriate.

A summary of the significant accounting policies which have been consistently applied in the current and the preceding year is set out below.

**Turnover**

Turnover represents revenue receivable by the company in respect of the provision of software services to customers net of value added tax. Turnover is recognised when the service is provided to the customer. Deferred revenue represents the estimated unearned portion of fees received to the extent that they are considered recoverable.

**Tangible fixed assets**

Tangible fixed assets are recorded at historical cost less accumulated depreciation. Cost comprises the purchase price together with all expenses directly incurred in bringing the asset to its location and condition ready for use. Costs under £500 per item are not capitalised but expensed in the profit and loss account in the period in which they were bought.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	33% straight line
Fixtures and fittings	33% straight line

**Taxation**

Corporation tax payable is provided on taxable profits at the current rate of tax.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**1 ACCOUNTING POLICIES (CONTINUED)**

**Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

**Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**Pensions**

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

**2 TURNOVER**

In the opinion of the directors the company's turnover, loss before tax and net assets are not attributable to classes of business or geographical segments which differ substantially from each other.

**3 OPERATING LOSS**

Operating loss is stated after charging:

	2014 £	2013 £
Operating leases - other assets	23,303	9,700
Foreign currency (gains)/losses	180	76
Loss on sale of tangible fixed assets	-	6,944
Depreciation of owned assets	20,351	20,139
Loss on disposal of investments	-	2,000
Auditor's remuneration	5,750	-
	<u>5,750</u>	<u>-</u>



**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**4 AUDITOR'S REMUNERATION**

	2014 £	2013 £
Audit of the financial statements	3,750	-
<b>Fees payable to the company's auditor for other services:</b>		
Taxation services	750	-
Other services	1,250	-
	<u>2,000</u>	<u>-</u>
	<u>5,750</u>	<u>-</u>

**5 PARTICULARS OF EMPLOYEES**

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Design and development	12	10
Sales, marketing and support	10	7
	<u>22</u>	<u>17</u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	455,807	370,112
Social security costs	41,827	21,479
Staff pensions	6,742	-
	<u>504,376</u>	<u>391,591</u>

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**6 DIRECTORS' REMUNERATION**

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration	43,387	38,333
Company contributions paid to money purchase schemes	<u>3,450</u>	<u>-</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>-</u>

**7 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME**

	2014 £	2013 £
Bank interest receivable	<u>1,188</u>	<u>-</u>

**8 TAXATION**

Tax on loss on ordinary activities

	2014 £	2013 £
<b>Current tax</b>		
Corporation tax credit	(61,626)	(110,362)
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>7,172</u>	<u>7,109</u>
Total tax on loss on ordinary activities	<u>(54,454)</u>	<u>(103,253)</u>

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**8 TAXATION (CONTINUED)**

**Factors affecting current tax charge for the year**

Tax on loss on ordinary activities for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 23% (2013 - 24%).

The differences are reconciled below:

	2014 £	2013 £
Loss on ordinary activities before taxation	(104,574)	(168,127)
Corporation tax at standard rate	<u>(24,052)</u>	<u>(40,350)</u>
Capital allowances in excess of depreciation	(8,248)	(758)
Expenses not deductible for tax purposes	2,328	719
Adjustment for R&D tax credit	<u>(31,654)</u>	<u>(69,973)</u>
Total current tax	<u>(61,626)</u>	<u>(110,362)</u>

**9 TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2013	40,596	22,416	63,012
Additions	<u>7,283</u>	<u>48,928</u>	<u>56,211</u>
At 31 March 2014	<u>47,879</u>	<u>71,344</u>	<u>119,223</u>
<b>Depreciation</b>			
At 1 April 2013	18,843	8,623	27,466
Charge for the year	<u>12,840</u>	<u>7,510</u>	<u>20,350</u>
At 31 March 2014	<u>31,683</u>	<u>16,133</u>	<u>47,816</u>
<b>Net book value</b>			
At 31 March 2014	<u>16,196</u>	<u>55,211</u>	<u>71,407</u>
At 31 March 2013	<u>21,753</u>	<u>13,793</u>	<u>35,546</u>

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**10 DEBTORS**

	2014 £	2013 £
Trade debtors	44,479	4,712
Amounts owed by group undertakings	-	20,363
Other debtors	77,535	73,260
Prepayments and accrued income	9,724	8,079
	<u>131,738</u>	<u>106,414</u>

**11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Trade creditors	19,964	29,666
Bank loans and overdrafts	-	859
Other taxes and social security	19,206	30,279
Other creditors	1,789	6,000
Directors' current accounts	-	102,241
Accruals and deferred income	77,716	59,191
	<u>118,675</u>	<u>228,236</u>

**12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2014 £	2013 £
Other creditors	<u>-</u>	<u>97,110</u>

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**13 PROVISIONS**

	Deferred tax £
At 1 April 2013	7,109
Charged to the profit and loss account	<u>7,172</u>
At 31 March 2014	<u><u>14,281</u></u>

**Analysis of deferred tax**

	2014 £	2013 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>14,281</u>	<u>7,109</u>
	<u><u>14,281</u></u>	<u><u>7,109</u></u>

**14 SHARE CAPITAL**

**Allotted, called up and fully paid shares**

	2014		2013	
	No.	£	No.	£
Ordinary shares of £0.0001 each	<u>2,110,269</u>	<u>211</u>	<u>2,000,000</u>	<u>200</u>

**New shares allotted**

During the year 16,000 Ordinary shares of £0.0001 each, having an aggregate nominal value of £1.60 were allotted for an aggregate consideration of £63,800.

During the year 94,269 Ordinary shares of £0.0001 each, having an aggregate nominal value of £8.94 were allotted for an aggregate consideration of £842,765.

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**15 RESERVES**

	Share premium account £	Profit and loss account £	Total £
At 1 April 2013	299,990	(262,676)	37,314
Loss for the year	-	(50,120)	(50,120)
Premium on issue of shares	906,553	-	906,553
Other reserve movements	(313,788)	313,788	-
Costs of raising finance	(5,739)	-	(5,739)
At 31 March 2014	<u>887,016</u>	<u>992</u>	<u>888,008</u>

**16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2014 £	2013 £
Loss attributable to the members of the company	(50,120)	(64,874)
New share capital allotted	900,825	300,188
Net addition to shareholders' funds	850,705	235,314
Shareholders' funds/(deficit) at 1 April	37,514	(197,800)
Shareholders' funds at 31 March	<u>888,219</u>	<u>37,514</u>

**17 PENSION SCHEME**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £6,742 (2013 - £nil).

Contributions totalling £3,292 (2013 - £nil) were payable to the scheme at the end of the period and are included in creditors.

**CLEAR BOOKS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**  
**(CONTINUED)**

**18 COMMITMENTS**

**Operating lease commitments**

As at 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2014 £	2013 £
<b>Land and buildings</b>		
Within two and five years	<u>44,643</u>	<u>21,525</u>

**19 ANALYSIS OF NET DEBT**

	At 1 Apr 13 £	Cash flow £	At 31 Mar 14 £
Cash at bank and in hand	228,009	590,021	818,030
Bank overdraft	(859)	859	-
Net funds	<u>227,150</u>	<u>590,880</u>	<u>818,030</u>

**20 RELATED PARTY TRANSACTIONS**

Included within creditors due within one year is an amount of £Nil (2013: £241) due to T J W Fouracre a director and shareholder of the company.

Included within creditors due within one year is an amount of £Nil (2013: £102,000) and included within creditors due greater than one year is an amount of £Nil (2013: £97,110) owed to Fubra Limited a shareholder of the company. No interest was charged on the loan.

Trade creditors includes an amount of £Nil (2013: £21,845) owed to Fubra Limited.

During the year Fubra Limited charged the company £14,116 (2013: £21,306) in respect of transaction processing fees and £Nil (2013: £321) in respect of web hosting.

Included in other debtors is £Nil (2013: £20,363) in respect of customer receipts processed by and temporarily held by Fubra Limited.

**21 CONTROL**

The company is controlled by the directors by virtue of their shareholdings, both directly and indirectly, in the company.