

# VERTEX FINANCIAL SERVICES HOLDINGS LIMITED

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2015

Registered Office:  
Jessop House  
Jessop Avenue  
Cheltenham  
GL50 3SH  
United Kingdom



Registered in England and Wales  
Company number: 03008820

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## Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

### Review of the business

The only activity in the year related to a property lease and sublet.

The results for the year are set out in the profit and loss account on page 9.

Profit after tax for the year-ended 31 March 2015 amounted to £0.3 million (2014: £0.2 million).

The balance sheet, on page 10, shows that the company's net liability position at 31 March 2015 is £4.7 million (2014: £5.0 million) with net current liabilities of £4.7 million (2014: £5.0 million).

Exceptional items credited in the year of £0.1m relate to the release of an inter-company liability that the counterparty has confirmed is no longer to be reflected in their financial statements. In the prior year exceptional items credited to the profit and loss account related to the release of liabilities that the directors now believe to be remote of £0.2 million and a release of surplus property provisions of £4.6 million offset by a charge of the same amount in relation to the forgiveness of inter-company amounts receivable.

### Key performance indicators

Key performance indicators for the company continue to be financial in nature:

- Operating profit targets; and
- Working capital control.

Operating profit before exceptional items was on budget with the costs of the company's property lease being broadly offset by the sublet income received.

The company has a year-end debtor day target of less than 10 days, which for the year ended 31 March 2015 was zero (2014: same).

### Future developments and events after the balance sheet date

In June 2015 the company surrendered its interest, with immediate effect, in the lease of its one remaining building. Following the exit of this lease the company will become non trading.

### Principal risks and uncertainties

The company has an active and robust corporate governance programme designed to manage strategic and tactical risks which could impact the business. Risks are clearly identified and monitored on a regular basis by an experienced management team. The key risks and uncertainties currently facing the business are as follows:

#### *Liquidity risk*

The company has a low exposure to liquidity risks and has sufficient liquid assets to manage any short term liquidity issues. However the company continues to monitor its commitments and liabilities to ensure that the company is not exposed to liquidity risks.

#### *Credit risk*

The company's principal financial assets are bank balances and cash.

The company's credit risk is primarily attributable to its rental debtor. The company monitors its cash flows from its tenant on a regular basis to minimise its exposure to credit risk.

## Strategic report (continued)

### Principal risks and uncertainties (continued)

#### *Litigation risk*

The company can be engaged in litigation in the ordinary course of operations, such as contract disputes, personal injury claims and workers' compensation claims. The directors do not believe that such litigation, either individually or in aggregate, is material. The company maintains insurance and, to the extent that the amounts in dispute may not be covered by such insurance, maintains provisions in those situations where the directors deem it appropriate in accordance with UK GAAP.

Signed on behalf of the board of directors



**S M Bailey**  
Director

13 July 2015

## Directors' report

The directors present the Annual report and the audited financial statements for the year ended 31 March 2015.

### Principal activity

The sole activity of the company in the prior year and the year ended 31 March 2015 was that of a holder of a property lease which was then sublet to another company. This lease was surrendered in June 2015 and consequently these financial statements have been prepared on a basis other than that of a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

### Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to meet any obligations that may fall due in the foreseeable future.

The directors have also received confirmation from Vertex Data Science Limited, that whilst Vertex Financial Services Holdings Limited and Vertex Data Science Limited remain within the Vertex group, Vertex Data Science Limited will continue to ensure sufficient resources are available to allow the company to meet its liabilities as they fall due for a period of 12 months from the date of signing these accounts.

### Dividends

No dividend payments were made during the year (2014: nil). There are no further recommended dividends (2014: nil).

### Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic report on page 3 and form part of this report by cross-reference.

### Directors

The directors of the company during the year ended 31 March 2015, and as at the date this report, are set out below.

G K James  
S M Bailey

## Directors' report (continued)

### Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 judgments 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.

### Auditor

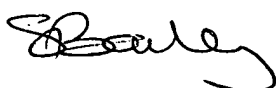
Each person who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that should have been taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP has expressed their willingness to continue as the company's auditor and a resolution to re-appoint them has been passed in accordance with section 485 of the Companies Act 2006.

Signed on behalf of the board of directors



**S M Bailey**  
Director  
13 July 2015

# **Independent auditor's report to the member of Vertex Financial Services Holdings Limited**

We have audited the financial statements of Vertex Financial Services Holdings Limited for the year ended 31 March 2015, which comprise the profit and loss account, the balance sheet, the reconciliation of movement in shareholders' deficit and the related notes 1 to 13. 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 member 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 member 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 member 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, 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 Ethical Standards for Auditors.

## **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 financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements information in the annual report 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.

## **Opinion on 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 March 2015 and of the company's 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.

## **Emphasis of matter - financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

## **Independent auditor's report to the member of Vertex Financial Services Holdings Limited (continued)**

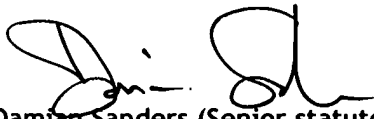
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic report and the Directors' report for the financial year 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.



**Damian Sanders (Senior statutory auditor)**  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester  
United Kingdom

13 July 2015



## Profit and loss account

For the year ended 31 March 2015

		Before exceptional items	Exceptional items (note 2)	31 March 2015 Total	Before exceptional items	Exceptional items (note 2)	31 March 2014 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Administrative expenses		(174)	111	(63)	(104)	198	94
Operating (loss) / profit	2	(174)	111	(63)	(104)	198	94
Other income receivable	4	132	-	132	133	-	133
Income from shares in group undertakings	5	219	-	219	-	-	-
<b>Profit on ordinary activities before taxation</b>		<b>177</b>	<b>111</b>	<b>288</b>	<b>29</b>	<b>198</b>	<b>227</b>
Taxation charge on ordinary activities	6	-	-	-	-	-	-
<b>Profit for the financial year</b>	<b>10</b>	<b>177</b>	<b>111</b>	<b>288</b>	<b>29</b>	<b>198</b>	<b>227</b>

See accompanying notes to the financial statements.

The company has no recognised gains or losses other than the profit for the current and the prior year which arise solely from continuing operations. Accordingly, a separate statement of total recognised gains and losses has not been prepared.

The transactions in the current and prior year arise from discontinued operations.

## Balance sheet

As at 31 March 2015

		31 March 2015	31 March 2014
	Note	£000	£000
<b>Current assets</b>			
Debtors	7	397	92
Cash at bank and in hand		6	47
		403	139
<b>Creditors: amounts falling due within one year</b>	8	(5,110)	(5,134)
<b>Net current liabilities</b>		<b>(4,707)</b>	<b>(4,995)</b>
<b>Total assets less current liabilities</b>		<b>(4,707)</b>	<b>(4,995)</b>
<b>Net liabilities</b>		<b>(4,707)</b>	<b>(4,995)</b>
<b>Capital and reserves</b>			
Called-up share capital	9	2,275	2,275
Capital redemption reserve	10	6	6
Profit and loss account	10	(6,988)	(7,276)
<b>Shareholder's deficit</b>		<b>(4,707)</b>	<b>(4,995)</b>

See accompanying notes to the financial statements.

The financial statements for Vertex Financial Services Holdings Limited (Company N° 03008820) were approved by the board of directors and authorised for issue on 13 July 2015 and signed on its behalf by



S M Bailey  
Director

## Reconciliation of movements in shareholder's deficit

For the year ended 31 March 2015

	31 March 2015	31 March 2014
	£000	£000
<b>Profit for the financial year</b>	<b>288</b>	<b>227</b>
Opening shareholder's deficit	(4,995)	(5,222)
<b>Closing shareholder's deficit</b>	<b>(4,707)</b>	<b>(4,995)</b>

# Notes to the financial statements

## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

### (a) Basis of preparation of the financial statements

The financial statements of the company have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom accounting standards.

### Subsequent events and going concern

At the date of the approval of these financial statements, the company holds no property leases, having surrendered its interest in the lease of its one remaining building in June 2015, at which time it ceased to trade. As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern. No adjustments arise as a result of ceasing to apply the going concern basis.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006, not to prepare consolidated accounts, as it is a wholly owned subsidiary of VTX Holdings Limited which prepares group accounts that are publicly available. Additionally the company has also taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 '(revised 1996) Cash flow statements'

### (b) Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the lease term. Lease rentals not settled at the balance sheet date are held as a financial liability.

### (c) Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The deferred tax balance is not measured on a discounted basis.

## Notes to the financial statements (continued)

### 2. Operating (loss) / profit

Operating (loss) / profit is stated after charging / (crediting):

	31 March 2015	31 March 2014
	£000	£000
Exceptional items credited	(111)	(198)
Operating lease costs - land and buildings	124	128
Exchange loss	11	32

Auditor's remuneration for the audit of the company's financial statements is £4,000 (2014: £10,000) and is borne by other group companies. Fees payable to Deloitte LLP and its associates for non-audit services during the year were £nil (2014: £nil).

Exceptional items credited to the profit and loss account in the year ended 31 March 2015 relate to the release of an inter-company liability that the counterparty has confirmed is no longer to be reflected in their financial statements.

Exceptional items credited to the profit and loss account in the year ended 31 March 2014 relate to the release of liabilities that the directors now believe to be remote of £198,000 and a release of surplus property provisions of £4,596,000 offset by a charge of the same amount in relation to the forgiveness of intercompany amounts receivable.

The company had no employees in the year (2014: nil).

### 3. Directors

The directors of the company were all employed and remunerated during the current and prior year by other companies within the Vertex group. The majority of the directors' time is engaged by other group companies and, consequently, no recharge was made to the company for the directors' services, as it is not practicable to reallocate (2014: £nil).

### 4. Other income receivable

	31 March 2015	31 March 2014
	£000	£000
Rent received	132	133

### 5. Income from shares in group undertakings

	31 March 2015	31 March 2014
	£000	£000
Dividends received	219	-

## Notes to the financial statements (continued)

### 6. Taxation

	31 March 2015	31 March 2014
	£000	£000
<b>Current tax:</b>		
Group relief payable	-	-
Adjustments in respect of prior years	-	-
<b>Total current tax charge</b>	-	-

The table below reconciles the notional tax charge at the standard UK corporation tax rate to the actual charge for taxation.

	31 March 2015	31 March 2014
	£000	£000
Profit on ordinary activities before tax	288	227
Expected tax charge at 21% (2014: 23%)	(60)	(52)
Non-taxable income	46	52
Capital allowances in excess of depreciation charge	14	-
<b>Actual current tax charge</b>	-	-

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. This will have no effect on the company's future current tax charge.

At the year-end unrecognised deferred tax assets, at a tax rate of 20%, were £215,443 (2014: £215,466). These assets relate to capital allowances in excess of depreciation, short term timing differences and tax losses carried forward. The deferred tax asset is not recognised as, in the opinion of the directors, insufficient certainty exists regarding future recoverability.

### 7. Debtors

	31 March 2015	31 March 2014
	£000	£000
Amounts owed by group undertakings	220	86
Other debtors	177	6
<b>Amounts falling due within one year</b>	<b>397</b>	<b>92</b>

## Notes to the financial statements (continued)

### 8. Creditors: amounts falling due within one year

	31 March 2015	31 March 2014
	£000	£000
Amounts owed to group undertakings	4,925	5,103
Accruals and deferred income	185	31
<b>Amounts falling due within one year</b>	<b>5,110</b>	<b>5,134</b>

### 9. Called-up share capital

	31 March 2015	31 March 2014
	£000	£000
<b>Allotted, called-up and fully paid</b>		
227,506,106 (2014: 227,506,106) ordinary shares of £0.01 each	2,275	2,275

### 10. Reserves

	Capital redemption reserve	Profit and loss account
	£000	£000
At 1 April 2014	6	(7,276)
Profit for the year	-	288
<b>At 31 March 2015</b>	<b>6</b>	<b>(6,988)</b>

### 11. Operating leases

The company is committed to making the following payments under operating leases in relation to land and buildings during the next 12 months:

	31 March 2015	31 March 2014
	£000	£000
Leases which expire:		
- Between two and five years	109	128
- After five years	-	-
	<b>109</b>	<b>128</b>

## Notes to the financial statements (continued)

### 12. Related party transactions

The company has taken advantage of the exemption under FRS 8 'Related Party Disclosures', as a wholly-owned subsidiary of Vertex Group Limited, not to disclose related party transactions with other wholly-owned members of the group.

There were no other related party transactions that require disclosure in either year.

Loan balances outstanding at 31 March 2015 and 31 March 2014 with related parties were as follows:

Owing to	31 March 2015 £000	31 March 2014 £000
VTX Subco Limited	-	(14)
VTX Subco BV	-	12
VTX Holdings Cooperatief BV	-	62
<b>Total</b>	<b>-</b>	<b>60</b>

### 13. Details of parent undertakings

The financial statements of the company are consolidated into the group financial statements of VTX Holdings Limited, a company registered in England and Wales.

VTX Holdings Limited is the largest company within the group preparing consolidated accounts for the year ended 31 March 2015. Vertex Group Limited is the smallest company within the group preparing consolidated financial statements for the year ended 31 March 2015.

Copies of the VTX Holdings Limited group financial statements may be obtained from the Company Secretary, VTX Holdings Limited, Jessop House, Jessop Avenue, Cheltenham, Gloucestershire, GL50 3SH.

In the opinion of the directors, the ultimate controlling party is a consortium of US-based private equity firms led by Oak Hill Capital Partners and also including GenNx360 and Carval.

The ultimate parent company is VTX Holdings Limited.

The immediate parent company is Vertex Data Science Limited, a company registered in England and Wales.