

VERVE PARTNERS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	46,525	94,746
CURRENT ASSETS			
Debtors	5	3,771,469	3,217,525
Cash at bank and in hand		204,956	374,737
		<u>3,976,425</u>	<u>3,592,262</u>
Creditors: amounts falling due within one year	6	(5,237,048)	(5,163,147)
NET CURRENT LIABILITIES		<u>(1,260,623)</u>	<u>(1,570,885)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,214,098)</u>	<u>(1,476,139)</u>
NET LIABILITIES		<u><u>(1,214,098)</u></u>	<u><u>(1,476,139)</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Profit and loss account		(1,215,098)	(1,477,139)
		<u><u>(1,214,098)</u></u>	<u><u>(1,476,139)</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Harper-Tee

Director

Date: 28 September 2020

The notes on pages 2 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. GENERAL INFORMATION

Verve Partners Limited is a private company, limited by shares and registered in England & Wales.

Its registered office is: Clove Building, 4 Maguire Street, 2nd Floor, London, SE1 2NQ.

Its registered number is: 06663787.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

At the balance sheet date there was a net deficiency of shareholders' funds totalling £1,214,098 (2018: £1,476,139). The directors of the parent company, Verve Partners Holdings Limited, have confirmed their continuing financial support.

In particular the directors have considered the ongoing impact of COVID-19 Coronavirus on trading performance after the balance sheet date. The directors have taken steps to ensure that the company has sufficient resources available to be resilient to the effects of COVID-19 Coronavirus.

On the basis of their assessment of the company's financial position and of the enquiries made of the group undertakings, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.5 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.6 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	-	20% per annum
Fixtures and fittings	-	33% per annum and 20% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.10 FINANCIAL INSTRUMENTS (CONTINUED)

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 82 (2018: 78).

4. TANGIBLE FIXED ASSETS

	Leasehold property improvements £	Fixtures and fittings £	Total £
COST OR VALUATION			
At 1 January 2019	101,043	406,385	507,428
Additions	-	10,164	10,164
At 31 December 2019	101,043	416,549	517,592
DEPRECIATION			
At 1 January 2019	53,674	359,008	412,682
Charge for the year on owned assets	20,209	38,176	58,385
At 31 December 2019	73,883	397,184	471,067
NET BOOK VALUE			
At 31 December 2019	27,160	19,365	46,525
At 31 December 2018	47,369	47,377	94,746

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. DEBTORS

	2019 £	2018 £
DUE AFTER MORE THAN ONE YEAR		
Other debtors	100,000	94,047
	<u>100,000</u>	<u>94,047</u>
DUE WITHIN ONE YEAR		
Trade debtors	882,892	832,501
Amounts owed by group undertakings	1,897,176	1,581,932
Other debtors	65,325	107,131
Prepayments and accrued income	621,077	351,405
Deferred taxation	204,999	250,509
	<u>3,771,469</u>	<u>3,217,525</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	336,446	325,339
Amounts owed to group undertakings	3,180,997	3,080,997
Other taxation and social security	303,842	289,444
Other creditors	648,561	528,161
Accruals and deferred income	767,202	939,206
	<u>5,237,048</u>	<u>5,163,147</u>

Included within other creditors are advances from Bibby Financial Services Limited of £519,496 (2018: £495,983) which are secured by the way of a fixed and floating charge over the assets of the company.

Bank overdrafts are secured by a fixed and floating charge over the assets of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. DEFERRED TAXATION

	2019 £
At beginning of year	250,509
Charged to profit or loss	(45,510)
AT END OF YEAR	<u>204,999</u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(31,776)	(32,399)
Tax losses carried forward	156,787	202,920
Other short term timing differences	79,988	79,988
	<u>204,999</u>	<u>250,509</u>

The Finance Act 2016 included a reduction in the rate of corporation tax from 19% to 17% with effect from 1 April 2020. Deferred tax arising on temporary differences has been measured at this lower rate, being the substantively enacted rate at the reporting date for the periods in which these differences are expected to reverse.

At the March 2020 budget, which was substantively enacted on 17 March 2020, the government announced that the corporation tax rate would be maintained at 19% for 2020 and 2021. Accordingly, this rate will be used to measure any deferred tax assets and liabilities in future reporting periods.

8. SHARE CAPITAL

	2019 £	2018 £
ALLOTTED, CALLED UP AND FULLY PAID		
100,000 (2018: 100,000) Ordinary shares of £0.01 each	<u>1,000</u>	<u>1,000</u>

9. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totaling £Nil (2018: £6,341) were payable to the fund at the year end and are included in creditors.

10. RELATED PARTY TRANSACTIONS

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, not to disclose related party transactions with group companies.

11. CONTROLLING PARTY

The immediate and ultimate parent company is Verve Partners Holdings Limited, a company incorporated in the United Kingdom. Its registered office is Clove Building, 4 Maguire Street, 2nd floor, London, SW1 2NQ.

Verve Partners Holdings Limited heads the largest and smallest group in which the results of the company are consolidated. Copies of the consolidated financial statements can be obtained on Companies House.

The ultimate controlling party is Mr A G Cooper.

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.