

Company registration number 07644316 (England and Wales)

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

PAGES FOR FILING WITH REGISTRAR

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 10

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		43,054		60,503
Current assets					
Debtors	6	994,590		901,626	
Cash at bank and in hand		93,263		306,245	
		1,087,853		1,207,871	
Creditors: amounts falling due within one year	7	(368,508)		(436,015)	
Net current assets			719,345		771,856
Total assets less current liabilities			762,399		832,359
Provisions for liabilities			(10,764)		(11,496)
Net assets			751,635		820,863
Capital and reserves					
Called up share capital	8		90		90
Profit and loss reserves			751,545		820,773
Total equity			751,635		820,863

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2022

The financial statements were approved by the board of directors and authorised for issue on 22 August 2022 and are signed on its behalf by:

Mr P D Spreadbury
Director

Company Registration No. 07644316

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Virtus Traffic Management Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 15 Phoenix Park, Telford Way, Stephenson Industrial Estate, Coalville, Leicestershire, United Kingdom, LE67 3HB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

Revenue from contracts for the provision of services is recognised as those services are provided.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Vehicle Registration Numbers	25% on cost
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	4 years straight line
Computer equipment	3 years straight line
Motor vehicles	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from group and related companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	28	21

4 Intangible fixed assets

	Vehicle Registration Numbers £
Cost	
At 1 June 2021 and 31 May 2022	1,432
Amortisation and impairment	
At 1 June 2021 and 31 May 2022	1,432
Carrying amount	
At 31 May 2022	-
At 31 May 2021	-

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 June 2021	44,774	135,383	155,678	335,835
Additions	2,812	18,143	2	20,957
Disposals	-	-	(27,502)	(27,502)
At 31 May 2022	47,586	153,526	128,178	329,290
Depreciation and impairment				
At 1 June 2021	36,668	99,983	138,681	275,332
Depreciation charged in the year	3,344	18,063	16,997	38,404
Eliminated in respect of disposals	-	-	(27,500)	(27,500)
At 31 May 2022	40,012	118,046	128,178	286,236
Carrying amount				
At 31 May 2022	7,574	35,480	-	43,054
At 31 May 2021	8,106	35,400	16,997	60,503

6 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	838,631	583,613
Amounts owed by group undertakings	102,000	271,000
Other debtors	53,959	47,013
	994,590	901,626

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	85,874	132,844
Corporation tax	82,383	114,239
Other taxation and social security	79,094	116,760
Other creditors	121,157	72,172
	368,508	436,015

Other creditors include loans from related companies of £30,000 (2021: £nil).

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

8 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	90	90	90	90
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
	79,900	108,190
	<u> </u>	<u> </u>

10 Controlling Party

The company is a wholly owned subsidiary of Highway Support Services Limited.

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

11 Related party transactions

Transactions with related parties

At the year end loans owed by the following directors to the company were:

Mr N Sears £9,411 (2021: £9,411)

Mr P Spreadbury £1,410 (2021: £1,410)

Mr D Lowe £4,333 (2021: £6,333)

These amounts are included in other debtors due within one year and are repayable on demand.

SSL Estate Limited

Included in other creditors is a loan from S S L Estate Limited, a company controlled by the three directors. At 31 May 2022 £30,000 (2021: £nil) was due to S S L Estate Limited. This loan is repayable upon demand.

During the year the company paid rent to S S L Estate Limited of £28,200 (2021: £28,200) plus service charges of £1,600 (2021: £1,600).

Alliance Highway Services Limited

Included in other debtors is a loan to Alliance Highway Services Limited, a fellow group company. At 31 May 2022 there was £401,000 (2021: £271,000) outstanding. This amount is repayable upon demand. A provision of £401,000 has been made in the year, against the loan to Alliance Highway Services Limited.

Highway Support Services Limited

Included in other debtors is a loan to Highway Support Services Limited, the parent company. At 31 May 2022 £102,000 (2021: £nil) was due from Highway Support Services Limited. This loan is repayable upon demand.

Aventis Vehicles Limited

During the year the company paid vehicle hire to Aventis Vehicles Limited of £48,640 (2021: £nil).

VIRTUS TRAFFIC MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

12 Prior period adjustment

Reconciliation of changes in equity

	1 June 2020 £	31 May 2021 £
Adjustments to prior year		
Restatement of accrued income	-	(179,856)
Tax impact of restatement of accrued income	-	34,173
Total adjustments	-	(145,683)
Equity as previously reported	325,163	966,546
Equity as adjusted	325,163	820,863

Notes to reconciliation

A prior period adjustment has been made in respect of a misstatement of contract payment applications recognised at 31 May 2021, and the associated taxation impact. The impact of this misstatement on the net assets and reported results for the previous year are set out in the table above.

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.