

Company Registration No. 08247189 (England and Wales)

VERTICAL FINANCIAL SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017
PAGES FOR FILING WITH REGISTRAR

VERTICAL FINANCIAL SERVICES LIMITED

COMPANY INFORMATION

Directors	R Norman R Thakrar N Kenvyn K Thomson P Elder N Francis
Secretary	N Spanbok
Company number	08247189
Registered office	Airport House Suite 43-45 Purley Way Croydon Surrey CR0 0XZ
Accountants	Ledger Sparks Ltd Airport House Suite 43-45 Purley Way Croydon Surrey CR0 0XZ
Business address	Kingfisher House 21-23 Elmfield Road Bromley Kent BR1 1LT

VERTICAL FINANCIAL SERVICES LIMITED

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VERTICAL FINANCIAL SERVICES LIMITED

BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investments	4		5,125		5,125
Current assets					
Debtors	5	1,755,125		1,623,536	
Cash at bank and in hand		102,366		223,368	
		<u>1,857,491</u>		<u>1,846,904</u>	
Creditors: amounts falling due within one year	6	<u>(27,208)</u>		<u>(14,533)</u>	
Net current assets			1,830,283		1,832,371
Total assets less current liabilities			<u>1,835,408</u>		<u>1,837,496</u>
Capital and reserves					
Called up share capital	7		498		498
Share premium account			1,842,209		1,842,209
Profit and loss reserves			<u>(7,299)</u>		<u>(5,211)</u>
Total equity			<u>1,835,408</u>		<u>1,837,496</u>

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

The notes on pages 5 - 9 form an integral part of these financial statements.

For the financial year ended 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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 and FRS102 Section 1A.

The financial statements were approved by the board of directors and authorised for issue on 6 November 2017 and are signed on its behalf by:

N Kenvyn
Director

Company Registration No. 08247189

VERTICAL FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

Company information

Vertical Financial Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Airport House, Suite 43-45 Purley Way, Croydon, Surrey, CR0 0XZ.

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.

These financial statements for the year ended 30 June 2017 are the first financial statements of Vertical Financial Services Limited prepared in accordance with FRS 102 Section 1A small entities, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 Section 1A small entities was 1 July 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102 Section 1A small entities.

1.2 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.3 Cash at bank and in hand

Cash at bank and in hand 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.

VERTICAL FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.4 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.

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, loans from fellow group companies and preference shares that are classified as debt, 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.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.6 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.

VERTICAL FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. 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.

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 Taxation

	2017	2016
	£	£
Current tax		
Adjustments in respect of prior periods	-	12
	<u> </u>	<u> </u>

The company has estimated losses of £6,011 (2016 - £3,923) available for carry forward against future trading profits.

4 Fixed asset investments

	2017	2016
	£	£
Investments	5,125	5,125
	<u> </u>	<u> </u>

VERTICAL FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

5 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	1,755,125	1,623,536
	<u> </u>	<u> </u>

The directors consider the carrying value of trade and other receivables approximate to their fair value.

6 Creditors: amounts falling due within one year	2017	2016
	£	£
Other taxation and social security	25,708	13,208
Other creditors	1,500	1,325
	<u> </u>	<u> </u>
	<u>27,208</u>	<u>14,533</u>

The directors consider the carrying amounts of current liabilities approximate to their fair values.

7 Called up share capital	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
44,900 Ordinary shares of 1p each	449	449
	<u> </u>	<u> </u>
	<u>449</u>	<u>449</u>
Growth share capital		
Issued and fully paid		
2,500 of 1p each	25	25
2,400 of 1p each	24	24
	<u> </u>	<u> </u>
	<u>49</u>	<u>49</u>

OneSavings Bank plc holds 7,000 warrants, each of which entitles the holder to subscribe for one share in Vertical Financial Services Ltd on the terms and conditions set out in the instrument dated 1st March 2016 which has been signed by both parties.

VERTICAL FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

8 Controlling Party

At the balance sheet date included in debtors are amounts due from the subsidiaries of Vertical Financial Services Ltd as detailed below:

VFS Legal Ltd - £700,000 (2016 - £1,000,000)

Virtual Business Operation Services Ltd - £1,055,125 (2016 - £623,536).

Vertical Financial Services Ltd as a parent company is exempt from producing consolidated group financial statements as they qualify as small as set out in section 383 of the Act. The parent and the group are considered eligible for the exemption as determined by reference to sections 384 and 399(2A) of the Act.

Both loans to VFS Legal Ltd and Virtual Business Operation Services Ltd are repayable on demand and no interest is charged on the outstanding amounts. However the directors have confirmed that there are no plans to call in the outstanding balances in the foreseeable future.

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.