

Company Registration No. 08247189 (England and Wales)

**VERTICAL FINANCIAL SERVICES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# VERTICAL FINANCIAL SERVICES LIMITED

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# VERTICAL FINANCIAL SERVICES LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Investments	4		5,125		5,125
<b>Current assets</b>					
Debtors	6	2,346,847		2,191,423	
Cash at bank and in hand		86,091		287,362	
		<u>2,432,938</u>		<u>2,478,785</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(16,938)</u>		<u>(21,872)</u>	
<b>Net current assets</b>			2,416,000		2,456,913
<b>Total assets less current liabilities</b>			<u>2,421,125</u>		<u>2,462,038</u>
<b>Capital and reserves</b>					
Called up share capital			527		527
Share premium account			2,472,178		2,472,178
Profit and loss reserves	9		(51,580)		(10,667)
<b>Total equity</b>			<u>2,421,125</u>		<u>2,462,038</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 3 - 6 form an integral part of these financial statements.

For the financial year ended 30 June 2019 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 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 and FRS102 Section 1A.

The financial statements were approved by the board of directors and authorised for issue on 22 November 2019 and are signed on its behalf by:

N Kenvyn  
Director

Company Registration No. 08247189

# VERTICAL FINANCIAL SERVICES LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 July 2017</b>	498	1,842,209	(7,299)	1,835,408
<b>Year ended 30 June 2018:</b>				
Loss and total comprehensive income for the year	-	-	(3,368)	(3,368)
Issue of share capital	32	629,969	-	630,001
Other movements	(3)	-	-	(3)
<b>Balance at 30 June 2018</b>	527	2,472,178	(10,667)	2,462,038
<b>Year ended 30 June 2019:</b>				
Loss and total comprehensive income for the year	-	-	(40,913)	(40,913)
<b>Balance at 30 June 2019</b>	527	2,472,178	(51,580)	2,421,125

# VERTICAL FINANCIAL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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### 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 Kingfisher House, 21-23 Elmfield Road, Bromley, Kent, BR1 1LT.

The principal activity of the company is that of holding company for the Vertical Financial Services Limited group.

#### 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.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### 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 Investment in subsidiary

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.

#### 1.4 Financial instruments

The company only enters into basic financial transactions that result in recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from bank and other third parties, loans to related parties and investments in non-puttable ordinary shares.

#### 1.5 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.

# VERTICAL FINANCIAL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 1 Accounting policies

(Continued)

#### 1.6 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of income and retained earnings in the year that the company becomes aware of the obligation and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in Balance sheet.

### 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

The company has estimated losses of £6,011 (2018 - £6,011) available for carry forward against future trading profits.

### 4 Fixed asset investments

	2019 £	2018 £
Investments in subsidiaries	5,125	5,125

### 5 Subsidiaries

Details of the company's subsidiaries at 30 June 2019 are as follows:

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
VFS Legal Limited	England & Wales	50,000 ordinary shares of 10p each	100.00	0
Virtual Business Operation Services Limited	England & Wales	125 ordinary shares of £1 each	100.00	0

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

# VERTICAL FINANCIAL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 5 Subsidiaries (Continued)

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
VFS Legal Limited	1,692,721	813,802
Virtual Business Operation Services Limited	(253,776)	(24,218)

### 6 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	2,346,847	2,191,423

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

### 7 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	15,136	20,370
Other creditors	2	2
Accruals and deferred income	1,800	1,500
	<u>16,938</u>	<u>21,872</u>

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

### 8 Charges

Onesavings Bank PLC holds a fixed and floating charge over assets of the company against a loan borrowed by VFS Legal Ltd - a group undertaking of £30,350,000 (2018 - £14,600,000).

### 9 Reserves

#### Profit & loss reserves

The Profit and loss account comprises all current and prior period retained profit and losses after deducting any distributions made to the company's shareholders. This is a distributable reserve.

## **VERTICAL FINANCIAL SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2019***

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#### **10 Related party transactions**

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 - £656,554 (2018 - £895,735)

Virtual Business Operation Services Ltd - £1,690,293 (2018 - £1,295,688).

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.



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