

**VERTICAL SYSTEMS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2020**

Bland Baker  
Chartered Accountants and  
Registered Auditor  
21 Lodge Lane  
Grays  
Essex  
RM17 5RY

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FOR THE YEAR ENDED 30 APRIL 2020**

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**VERTICAL SYSTEMS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 APRIL 2020**

**DIRECTORS:**

P.L. Healey  
P S Bentley  
Mrs N. Dilworth  
C. North

**REGISTERED OFFICE:**

14 Hemmells  
Laindon  
Basildon  
Essex  
SS15 6ED

**REGISTERED NUMBER:**

01741340 (England and Wales)

**INDEPENDENT AUDITORS:**

Bland Baker  
Chartered Accountants and  
Registered Auditor  
21 Lodge Lane  
Grays  
Essex  
RM17 5RY

**VERTICAL SYSTEMS LIMITED (REGISTERED NUMBER: 01741340)**

**STATEMENT OF FINANCIAL POSITION  
30 APRIL 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		161,173		182,596
Investments	5		100,000		100,000
Investment property	6		<u>302,940</u>		<u>302,940</u>
			564,113		585,536
<b>CURRENT ASSETS</b>					
Stocks	7	1,500		1,500	
Debtors	8	990,694		1,076,744	
Cash at bank and in hand		<u>191,018</u>		<u>146,087</u>	
		1,183,212		1,224,331	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>447,376</u>		<u>615,678</u>	
<b>NET CURRENT ASSETS</b>			<u>735,836</u>		<u>608,653</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,299,949		1,194,189
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		<u>4,249</u>		<u>9,711</u>
<b>NET ASSETS</b>			<u>1,295,700</u>		<u>1,184,478</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			20,001		20,001
Share premium			443,999		443,999
Retained earnings			<u>831,700</u>		<u>720,478</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,295,700</u>		<u>1,184,478</u>

The notes form part of these financial statements

**VERTICAL SYSTEMS LIMITED (REGISTERED NUMBER: 01741340)**

**STATEMENT OF FINANCIAL POSITION - continued**  
**30 APRIL 2020**

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2021 and were signed on its behalf by:

P.L. Healey - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020

1. STATUTORY INFORMATION

Vertical Systems Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

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:

Long-term leasehold property	2%
Plant and machinery	20%
Motor vehicles	25%
Fixtures and fittings	33%
Computer equipment	33%
Server	20%

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 35 (2019 - 39) .

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 May 2019	189,665	764,474	954,139
Additions	-	7,864	7,864
At 30 April 2020	<u>189,665</u>	<u>772,338</u>	<u>962,003</u>
<b>DEPRECIATION</b>			
At 1 May 2019	66,760	704,783	771,543
Charge for year	3,786	25,501	29,287
At 30 April 2020	<u>70,546</u>	<u>730,284</u>	<u>800,830</u>
<b>NET BOOK VALUE</b>			
At 30 April 2020	<u>119,119</u>	<u>42,054</u>	<u>161,173</u>
At 30 April 2019	<u>122,905</u>	<u>59,691</u>	<u>182,596</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
<b>COST</b>	
At 1 May 2019 and 30 April 2020	<u>18,000</u>
<b>DEPRECIATION</b>	
At 1 May 2019	1,200
Charge for year	3,600
At 30 April 2020	<u>4,800</u>
<b>NET BOOK VALUE</b>	
At 30 April 2020	<u>13,200</u>
At 30 April 2019	<u>16,800</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020

5. **FIXED ASSET INVESTMENTS**

Shares in  
group  
undertakings  
£

**COST**

At 1 May 2019  
and 30 April 2020

100,000

**NET BOOK VALUE**

At 30 April 2020  
At 30 April 2019

100,000

100,000

6. **INVESTMENT PROPERTY**

Total  
£

**FAIR VALUE**

At 1 May 2019  
and 30 April 2020

302,940

**NET BOOK VALUE**

At 30 April 2020  
At 30 April 2019

302,940

302,940

The 2020 valuation was made by the directors, on an open market value for existing use basis.

7. **STOCKS**

2020	2019
£	£
<u>1,500</u>	<u>1,500</u>

Finished goods

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

2020	2019
£	£
300,019	271,990
369,284	692,396
<u>321,391</u>	<u>112,358</u>
<u>990,694</u>	<u>1,076,744</u>

Trade debtors  
Amounts owed by group undertakings  
Other debtors

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 11)	5,463	5,204
Trade creditors	58,958	89,599
Amounts owed to group undertakings	206,253	336,603
Taxation and social security	108,562	135,894
Other creditors	68,140	48,378
	<u>447,376</u>	<u>615,678</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 11)	<u>4,249</u>	<u>9,711</u>

11. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2020	2019
	£	£
Gross obligations repayable:		
Within one year	5,946	5,204
Between one and five years	<u>4,460</u>	<u>9,711</u>
	<u>10,406</u>	<u>14,915</u>
Finance charges repayable:		
Within one year	483	-
Between one and five years	<u>211</u>	<u>-</u>
	<u>694</u>	<u>-</u>
Net obligations repayable:		
Within one year	5,463	5,204
Between one and five years	<u>4,249</u>	<u>9,711</u>
	<u>9,712</u>	<u>14,915</u>

The hire purchase liability is secured over the related asset.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020**

**12. SECURED DEBTS**

The following secured debts are included within creditors:

	2020	2019
	£	£
Hire purchase contracts	<u>9,712</u>	<u>14,915</u>

The hire purchase creditor is secured on the asset obtained under the agreement.

**13. DEFERRED TAX**

	£
Balance at 1 May 2019	(7,948)
Depreciation in advance of capital allowances	<u>(600)</u>
Balance at 30 April 2020	<u>(8,548)</u>

**14. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

D M Baker (Senior Statutory Auditor)  
for and on behalf of Bland Baker

**15. PENSION COMMITMENTS**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £36,016 (2019 - £28,260). Contributions totalling £7,013 (2019 - £3,640) were payable to the fund at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020**

**16. RELATED PARTY DISCLOSURES**

As the Company is a wholly owned subsidiary of Notsallow 134 Limited the Company has taken advantage of the exemption in FRS102 disclosure 33.1A and has therefore not disclosed transactions or balances with other wholly-owned subsidiaries which form part of the group headed by Vertical Group Limited. The consolidated financial statements, within which this company is included, can be obtained from 14 Hemmells, Laindon, Essex, SS15 6ED.

Transactions with companies not wholly owned by the group are as follows:

The Company made sales of £10,008 (2019: £160) to MI Telecom Limited, a fellow subsidiary of Notsallow 134 Limited. As at 30 April 2020 the Company owed £28,148 (2019: £23,756) to MI Telecom Limited.

The Company made sales of £24,454 (2019: £487) to Holiday Elite Limited, a fellow subsidiary of Notsallow 134 Limited. As at 30 April 2020 the Company was owed £3,436 (2019: £4,515) by Holiday Elite Limited.

As at 30 April 2020 the Company owed Villas for Travel Limited, a fellow associate of Notsallow 134 Limited, £46,464 (2019: £47,377).

As at 30 April 2020 the amount of £4,856 (2019: £4,289) was owed from the company to the directors.

**17. ULTIMATE CONTROLLING PARTY**

The ultimate parent undertaking of this company as at the period ended 30 April 2020 was Vertical Group Limited which is incorporated in England and registered in England and Wales.

The immediate parent undertaking and controlling party is Notsallow 134 Limited which is incorporated and registered in England and Wales. The largest and smallest group of undertakings which include this company and for which consolidated accounts have been drawn up is that headed by Vertical Group Limited. The address where these accounts can be found is also the registered address of the parent company: 14 Hemmells, Laindon, Basildon, Essex, SS15 6ED.

The ultimate controlling party is P L Healey.

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.