

Registered number: NI021908

VME Retail Systems Limited

Directors' report and financial statements

For the year ended 31 December 2019

VME Retail Systems Limited

Contents

	Page(s)
Company information	1
Directors' report	2 - 3
Independent auditors' report to the members' of VME Retail Systems Limited	4 - 6
Profit and loss account	7
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 18

VME Retail Systems Limited

Company information

Directors

Mr Richard Coyle
Mr Stephen Gill

Company secretary

Mr Richard Coyle

Registered number

NI021908

Registered office

Waterfront Plaza
8 Laganbank Road
Belfast
BT1 3LR

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Waterfront Plaza
8 Laganbank Road
Belfast
BT1 3LR

Bankers

Royal Bank of Scotland
42 St Andrew Square
Edinburgh
EH2 2YE

Solicitors

Anderson Strathern
1 Rutland Court
Edinburgh
EH3 8EY

VME Retail Systems Limited

Directors' report For the year ended 31 December 2019

The directors present their report and the audited financial statements of the company for the year ended 31 December 2019.

Principal activities

The company's principal activities during the financial year was the design, marketing and installation of specialised computer systems.

Directors

The directors of the company who served during the year and up to the date of signing the financial statements were:

Mr Richard Coyle
Mr Stephen Gill

Branches

The company operates a branch from Malta.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Statement of disclosure of information to auditors

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

VME Retail Systems Limited

Directors' report (continued) For the year ended 31 December 2019

Directors' indemnities

The Directors have the benefit of an indemnity, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company has purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Covid-19

The current evolving Covid-19 outbreak, declared as a global pandemic in March 2020, is a fast-moving virus which presents major challenges for people and economies across the globe. There is significant uncertainty over the extent of the impact and longevity of the outbreak. It is considered by the company to be a non-adjusting event. Our products and services are used in retail services, which is a key industry and whilst this challenging environment impacts on the timing and volume of sales, the underlying demand remains.

The directors have reviewed forecasts for the group which have been updated for the expected impact of Covid-19 on trading and operating results remain in line with the director's revised expectations. The company maintains a strong balance sheet and working capital facilities to continue to operate as a going concern.

Post Balance Sheet Events

On 28 September 2020 the company's holding company, VME Coop Limited (formerly VME Systems Limited) established an Employee Ownership Trust (EOT). The beneficiaries of the EOT are the employees and officers of the company and it's group from time to time but excluding for this purpose Richard Coyle and Stephen Gill.

The company's holding company also established a subsidiary, VME Trustees Limited, to act as the corporate trustee of the EOT.

Following the establishment of the EOT the shareholders of the company's holding company sold their entire shareholding in the company's holding company to the EOT and the company's holding company adopted new articles of association for the purposes of becoming a worker cooperative in accordance with Cooperatives UK requirements. Cooperative status for company's holding company was subsequently confirmed by Cooperatives UK on 5 November 2020.

Having adopted cooperative articles and had its status as a cooperative confirmed the company's holding Company has now changed its name to VME Coop Limited.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 9 December 2020 and signed on its behalf.



Mr Richard Coyle
Director

Independent auditors' report to the members of VME Retail Systems Limited

Report on the audit of the financial statements

Opinion

In our opinion, VME Retail Systems Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the profit and loss account, the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of VME Retail Systems Limited

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

VME Retail Systems Limited

Independent auditors' report to the members of VME Retail Systems Limited

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Brenda Heenan

Brenda Heenan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast
11 December 2020

VME Retail Systems Limited

**Profit and loss account
For the year ended 31 December 2019**

	Note	2019 £	2018 £
Turnover		3,389,918	2,237,603
Cost of sales		(1,072,209)	(591,586)
Gross profit		2,317,709	1,646,017
Distribution costs		(219,808)	(180,184)
Administrative expenses		(1,683,039)	(1,260,353)
Operating profit		414,862	205,480
Interest payable and similar expenses		(3,438)	(2,026)
Profit before taxation		411,424	203,454
Tax on profit	6	84,073	253,520
Profit for the year		495,497	456,974

**Statement of comprehensive income
For the year ended 31 December 2019**

	2019 £	2018 £
Profit for the financial year	495,497	456,974
Total comprehensive income for the year	495,497	456,974

The notes on pages 10 to 18 form part of these financial statements.

VME Retail Systems Limited

Registered number: NI021908

Statement of financial position
As at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	7		505,418		416,055
Investments	8		4,000		4,000
			<u>509,418</u>		<u>420,055</u>
Current assets					
Debtors	9	3,784,327		3,695,656	
Cash at bank and in hand		918,007		623,896	
		<u>4,702,334</u>		<u>4,319,552</u>	
Creditors: amounts falling due within one year	10	(491,471)		(598,476)	
Net current assets			<u>4,210,863</u>		<u>3,721,076</u>
Total assets less current liabilities			<u>4,720,281</u>		<u>4,141,131</u>
Creditors: amounts falling due after more than one year	11		(120,894)		(58,845)
Provisions for liabilities					
Deferred tax	12		(36,945)		(15,341)
Net assets			<u>4,562,442</u>		<u>4,066,945</u>
Capital and reserves					
Called up share capital	13		20,000		20,000
Revaluation reserve			257,948		257,948
Retained earnings			4,284,494		3,788,997
Total shareholder's funds			<u>4,562,442</u>		<u>4,066,945</u>

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 on pages 7 to 18 were approved and authorised for issue by the board and were signed on its behalf on 9 December 2020.



Mr Richard Coyle
Director

The notes on pages 10 to 18 form part of the financial statements.

VME Retail Systems Limited

**Statement of changes in equity
For the year ended 31 December 2019**

	Called up share capital	Revaluation reserve	Retained earnings	Total shareholder's funds
	£	£	£	£
At 1 January 2019	20,000	257,948	3,788,997	4,066,945
Comprehensive income for the financial year				
Profit for the financial year	-	-	495,497	495,497
Total comprehensive income for the financial year	-	-	495,497	495,497
At 31 December 2019	20,000	257,948	4,284,494	4,562,442

**Statement of changes in equity
For the year ended 31 December 2018**

	Called up share capital	Revaluation reserve	Retained earnings	Total shareholder's funds
	£	£	£	£
At 1 January 2018	20,000	257,948	3,410,434	3,688,382
Comprehensive income for the financial year				
Profit for the financial year	-	-	456,974	456,974
Total comprehensive income for the financial year	-	-	456,974	456,974
Dividends paid	-	-	(78,411)	(78,411)
At 31 December 2018	20,000	257,948	3,788,997	4,066,945

The notes on pages 10 to 18 form part of these financial statements.

VME Retail Systems Limited

Notes to the financial statements For the year ended 31 December 2019

1. General information

The company's principal activities during the financial year was the design, marketing and installation of specialised computer systems.

VME Retail Systems Limited is a private company limited by shares and is incorporated, registered and domiciled in Northern Ireland, within the United Kingdom. The address of its registered office is Waterfront Plaza, 8 Laganbank Road, Belfast, BT1 3LR.

2. Statement of compliance

The financial statements of VME Retail Systems Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, Section 1A, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. No critical judgements or critical accounting estimates have been applied to these financial statements.

The following principal accounting policies have been applied consistently throughout:

3.2 Turnover

Turnover represents the invoiced value of goods supplied during the year excluding value added tax and is net of sales returns, trade discounts and rebates. Maintenance sales are recognised on an accruals basis. Installation sales are recognised upon installation of the product, which is when title to the product is transferred to the customer.

Notes to the financial statements
For the year ended 31 December 2019

3. Accounting policies (continued)

3.3 Tangible assets

Tangible 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.

Land is not depreciated. Depreciation on other assets 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:

Freehold property	-	2% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	25% straight line/reducing balance

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 the Statement of profit and loss.

Land and buildings include freehold land and buildings. Land and buildings are stated at cost (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation and accumulated impairment losses.

The Company previously adopted a policy of revaluing freehold land and buildings and they were stated at their revalued amount less any subsequent depreciation and accumulated impairment losses. The Company has adopted the transition exemption under FRS 102 paragraph 35.10(d) and has elected to use the previous revaluation as deemed cost.

3.4 Investments

Fixed asset investments are stated at their purchase cost less any provision for impairment. Investment income is included in the Profit and loss account on an accruals basis.

3.5 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.

3.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Notes to the financial statements
For the year ended 31 December 2019**

3. Accounting policies (continued)

3.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like intercompany debtors, trade and other debtors, and trade creditors.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

3.8 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.9 Dividends

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

3.10 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 Profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 the Statement of financial position.

3.11 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.

Notes to the financial statements
For the year ended 31 December 2019

3. Accounting policies (continued)

3.12 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 the Profit and loss account 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.

3.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

4. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019 Number	2018 Number
Selling and distribution	3	3
Administrative	30	25
	<u>33</u>	<u>28</u>

VME Retail Systems Limited

Notes to the financial statements
For the year ended 31 December 2019

5. Dividends

	2019 £	2018 £
Dividends of £0.98 (2018: £0.99) per Ordinary share	-	78,411

6. Tax on profit

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	(105,538)	(69,619)
Adjustments in respect of previous periods	(139)	(187,042)
Total current tax	<u>(105,677)</u>	<u>(256,661)</u>
Deferred tax		
Origination and reversal of timing differences	24,146	(6,161)
Adjustment in respect of previous periods	-	8,654
Effect of changes in tax rate	(2,542)	648
Total deferred tax	<u>21,604</u>	<u>3,141</u>
Total tax credit for the year	<u>(84,073)</u>	<u>(253,520)</u>

Notes to the financial statements
For the year ended 31 December 2019

6. Tax on profit (continued)

Factors affecting tax credit for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Profit before taxation	411,424	203,454
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	78,171	38,656
Effects of:		
Expenses not deductible	148,805	108,240
Income not taxable	(341,121)	(244,283)
Adjustment in respect of previous periods	(139)	(178,388)
Tax rate changes	(2,542)	648
Losses	138,290	91,226
Effects of group and other reliefs	(105,537)	(69,619)
Total tax credit for the year	(84,073)	(253,520)

Factors that may affect future tax charges

The prevailing UK corporation tax rate of 19% was substantively enacted as part of the Finance Act 2019 on 12 March 2019. This rate was due to reduce to 17% from April 2020, however, in the budget on 12 March 2020 it was announced that the main rate of UK corporation tax will be held at 19%. The deferred tax assets and liabilities are calculated reflecting appropriate rates.

VME Retail Systems Limited

Notes to the financial statements
For the year ended 31 December 2019

7. Tangible assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2019	350,000	122,777	118,844	88,522	680,143
Additions	-	202,360	-	3,158	205,518
Disposals	-	(122,776)	-	-	(122,776)
At 31 December 2019	<u>350,000</u>	<u>202,361</u>	<u>118,844</u>	<u>91,680</u>	<u>762,885</u>
Accumulated depreciation					
At 1 January 2019	23,345	41,826	113,026	85,891	264,088
Charge for the year	4,668	28,217	872	1,448	35,205
Disposals	-	(41,826)	-	-	(41,826)
At 31 December 2019	<u>28,013</u>	<u>28,217</u>	<u>113,898</u>	<u>87,339</u>	<u>257,467</u>
Net book value					
At 31 December 2019	<u>321,987</u>	<u>174,144</u>	<u>4,946</u>	<u>4,341</u>	<u>505,418</u>
At 31 December 2018	<u>326,655</u>	<u>80,951</u>	<u>5,818</u>	<u>2,631</u>	<u>416,055</u>

8. Investments

	Unlisted investment £
Cost or valuation	
At 1 January 2019 and at 31 December 2019	<u>4,000</u>

VME Retail Systems Limited

Notes to the financial statements For the year ended 31 December 2019

9. Debtors

	2019 £	2018 £
Trade debtors	476,368	362,137
Amounts owed by group undertakings	3,065,250	3,065,250
Corporation tax repayable	175,410	247,587
Other debtors	44,838	2,190
Prepayments and accrued income	22,461	18,492
	<u>3,784,327</u>	<u>3,695,656</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand. On 28 September 2020, the company paid a dividend in specie of £3,065,250 to the parent company, VME Coop Limited (formerly VME Systems Limited), which allowed the parent company to settle the amounts owed by group undertakings of £3,065,250.

10. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	166,104	128,574
Obligations under finance lease and hire purchase agreements (note 11)	22,673	12,344
Other tax and social security	152,744	137,701
Other creditors	4,802	25,826
Accruals and deferred income	145,148	294,031
	<u>491,471</u>	<u>598,476</u>

11. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Obligations under finance lease and hire purchase agreements	<u>120,894</u>	<u>58,845</u>

Obligations under finance lease and hire purchase agreements include in these financial statements, are payable as follows:

	2019 £	2018 £
Within one year	22,673	12,344
Between one year and five years	120,894	58,845
	<u>143,567</u>	<u>71,189</u>

VME Retail Systems Limited

Notes to the financial statements For the year ended 31 December 2019

12. Deferred taxation

	2019 £	2018 £
At beginning of year	(15,341)	(12,200)
Credited to Statement of profit and loss	(21,604)	(3,141)
At end of year	(36,945)	(15,341)

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(36,945)	(15,341)

13. Called up share capital

	2019 £	2018 £
Allotted and fully paid		
80,000 (2018: 80,000) Ordinary shares of £0.25 each	20,000	20,000

14. Related party transactions

The company has availed of the exemption under FRS 102 section 33, paragraph 33.1A in relation to the disclosure of transactions with group companies as all of the voting rights are controlled within the group.

15. Post Balance Sheet Events

On 28 September 2020 the company's holding company, VME Coop Limited (formerly VME Systems Limited) established an Employee Ownership Trust (EOT). The beneficiaries of the EOT are the employees and officers of the company and its group from time to time but excluding for this purpose Richard Coyle and Stephen Gill.

The company's holding company also established a subsidiary, VME Trustees Limited, to act as the corporate trustee of the EOT.

Following the establishment of the EOT the shareholders of the company's holding company sold their entire shareholding in the company's holding company to the EOT and the company's holding company adopted new articles of association for the purposes of becoming a worker cooperative in accordance with Cooperatives UK requirements. Cooperative status for company's holding company was subsequently confirmed by Cooperatives UK on 5 November 2020.

Having adopted cooperative articles and had its status as a cooperative confirmed the company's holding Company has now changed its name to VME Coop Limited.

16. Ultimate controlling party

The ultimate parent undertaking is VME Systems Limited whose registered address is Crook of Devon House, Main Street, Crook of Devon, Perth and Kinross, KY13 OUQ. VME Systems Limited have taken advantage of exemptions available to small groups not to prepare consolidated financial statements.

At the balance sheet date, the ultimate controlling party is Stephen Gill. Post year end the ultimate controlling party became VME Trustees Limited.