

Company Registration No. 03522780 (England and Wales)

SPIRE GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017



SPIRE GROUP LIMITED

COMPANY INFORMATION

Directors	Mr G L Brown Mrs A R Sheeran Mrs A K Murray Mr P O'Donnell
Secretary	Spire Manufacturing Limited
Company number	03522780
Registered office	Unit 19 Empire Close Empire Industrial Park Aldridge Walsall West Midlands WS9 8UQ
Auditor	Edwards 34 High Street Aldridge Walsall West Midlands WS9 8LZ
Bankers	Barclays Bank plc 15 Colmore Row Birmingham B3 2EP

SPIRE GROUP LIMITED

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SPIRE GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investment properties	7	7,301,647		4,594,207	
Investments	5	1,859,250		-	
		<u>9,160,897</u>		<u>4,594,207</u>	
Current assets					
Debtors	8	866,992	2,694,910		
Investments		3,250,119	2,585,049		
Cash at bank and in hand		3,468,922	4,593,525		
		<u>7,586,033</u>	<u>9,873,484</u>		
Creditors: amounts falling due within one year	9	<u>(6,243,276)</u>	<u>(5,047,778)</u>		
Net current assets		<u>1,342,757</u>		<u>4,825,706</u>	
Total assets less current liabilities		<u>10,503,654</u>		<u>9,419,913</u>	
Provisions for liabilities	11	<u>(49,723)</u>		<u>(7,509)</u>	
Net assets		<u>10,453,931</u>		<u>9,412,404</u>	
Capital and reserves					
Called up share capital	12		11		11
Share premium account		5,031,345		5,031,345	
Profit and loss reserves		5,422,575		4,381,048	
Total equity		<u>10,453,931</u>		<u>9,412,404</u>	

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

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

These financial statements are signed in order to comply with the requirements of the Companies Act, without personal verification.

The financial statements were approved by the board of directors and authorised for issue on 18 September 2017 and are signed on its behalf by:

Mr G L Brown
Director

Company Registration No. 03522780

SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Spire Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 19 Empire Close, Empire Industrial Park, Aldridge, Walsall, West Midlands, WS9 8UQ.

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, modified to include the revaluation of certain financial instruments at fair value. 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 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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:

Plant and machinery	20% straight line
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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.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date.

1.5 Investments

Investments are stated at market value at the balance sheet date and the difference between cost and market value is taken to the profit and loss account.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of twelve months or less.

SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.7 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

Short term trade 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 cost, less any impairment.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Basic financial liabilities

Short term trade creditors are measured at transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost.

1.8 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. 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.

SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.9 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.

1.10 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2016 - 7).

3 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	160,647	158,002
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	42,214	(16,636)
	<u> </u>	<u> </u>
Total tax charge	202,861	141,366
	<u> </u>	<u> </u>

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2016 and 31 March 2017	1,630
	<u> </u>
Depreciation and impairment	
At 1 April 2016 and 31 March 2017	1,630
	<u> </u>
Carrying amount	
At 31 March 2017	-
	<u> </u>
At 31 March 2016	-
	<u> </u>

SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

5 Fixed asset investments

	2017 £	2016 £
Investments	1,859,250	-

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2016	-
Transfers from unlisted investments	50,000
Additions	1,809,250
At 31 March 2017	1,859,250
Carrying amount	
At 31 March 2017	1,859,250
At 31 March 2016	-

On 4 July 2016, the company acquired the remaining 97.26% of the shareholding of Powerstream Services Limited for a total consideration of £1,809,250.

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Powerstream Services Limited	Unit 19 Empire Close, Empire Industrial Park, Aldridge, Walsall, WS9 8UQ	Premises letting	Ordinary	100.00	

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

Name of undertaking	Profit/ (Loss) £	Capital and Reserves £
Powerstream Services Limited	18,085	1,645,380

SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

7 Investment property

	2017 £
Cost	
At 1 April 2016	4,594,207
Additions	2,707,440
	<u>7,301,647</u>
At 31 March 2017	<u>7,301,647</u>

In the opinion of the Directors, the cost of investment properties is not materially different to the market value.

8 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	9,398	1,285
Amounts due from group undertakings	111,050	-
Other debtors	746,544	2,693,625
	<u>866,992</u>	<u>2,694,910</u>

9 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	3,367	499
Amounts due to related parties	5,958,322	4,757,846
Corporation tax	110,087	158,002
Other taxation and social security	57,275	51,653
Other creditors	114,225	79,778
	<u>6,243,276</u>	<u>5,047,778</u>

10 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	49,723	7,509
	<u>49,723</u>	<u>7,509</u>

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SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

11 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Capital losses	-	(2,380)
Unrealised gains	49,723	9,889
	<u>49,723</u>	<u>7,509</u>
Movements in the year:		2017 £
Liability at 1 April 2016		7,509
Charge to profit or loss		42,214
		<u>49,723</u>
Liability at 31 March 2017		<u>49,723</u>

12 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
112,004 Ordinary shares of 0.01p each	11	11
	<u>11</u>	<u>11</u>

13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Webb FCA.

The auditor was Edwards.

14 Financial commitments, guarantees and contingent liabilities

Spire Group Limited is party to a cross guarantee securing overdraft facilities up to £1,200,000 for certain members of the Spire Manufacturing Group of which £Nil was utilised as at 31 March 2017 (2016 - £1,063,664).

SPIRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

15 Related party transactions

On 4 July 2016, the company acquired the remaining share capital of Powerstream Services Limited, previously owned by Mr G L Brown, director and Mrs A T Brown, at market value of £1,809,250.

The company has taken advantage of the exemption conferred within FRS102 section 33.1A not to disclose transactions between wholly owned members of the same group.

Mr G L Brown, director, is also director of Spire Manufacturing Limited ("SML"), Spire Homewares Limited ("SHL"), 77 GLB Limited ("77GLB") and Air Industrial Developments Limited ("AID").

During the year the company charged management fees of £6,000 (2016 - £Nil) to SML and at 31 March 2017 included in other creditors is a balance of £3,000,000 (2016 - £2,255,086) due by the company to SML and included in other debtors is a balance of £742,413 (2016 - £280,604) due to the company from SML.

During the year the company charged management fees of £107,767 (2016 - £93,202) to SHL and at 31 March 2017 included in other creditors is a balance of £28,430 (2016 - £46,055) due by the company to SHL.

During the year the company charged management fees of £24,000 (2016 - £24,000) to 77GLB and at 31 March 2017 included in other creditors is a balance of £2,929,860 (2016 - £1,838,857) due by the company to 77GLB.

Included in other creditors is a balance of £32 (2016 - £Nil) due by the company to AID.

16 Ultimate controlling party

The ultimate parent company is Spire Property Investments Limited, a company registered in England and Wales.

In the opinion of the directors, there is no single controlling party in the ultimate parent company.