

Company Registration No. 03522780 (England and Wales)

**SPIRE GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

# **SPIRE GROUP LIMITED**

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# SPIRE GROUP LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	4		2,500		4,999
Investment properties	7		7,301,647		7,301,647
Investments	5		1,859,250		1,859,250
			<u>9,163,397</u>		<u>9,165,896</u>
<b>Current assets</b>					
Debtors	8	771,759		761,064	
Investments		3,192,278		3,334,033	
Cash at bank and in hand		2,296,987		3,159,172	
		<u>6,261,024</u>		<u>7,254,269</u>	
<b>Creditors: amounts falling due within one year</b>	9	(3,580,072)		(4,451,375)	
<b>Net current assets</b>			<u>2,680,952</u>		<u>2,802,894</u>
<b>Total assets less current liabilities</b>			<u>11,844,349</u>		<u>11,968,790</u>
<b>Provisions for liabilities</b>	11		(31,000)		(64,500)
<b>Net assets</b>			<u><u>11,813,349</u></u>		<u><u>11,904,290</u></u>
<b>Capital and reserves</b>					
Called up share capital			11		11
Share premium account			5,031,345		5,031,345
Profit and loss reserves			6,781,993		6,872,934
<b>Total equity</b>			<u><u>11,813,349</u></u>		<u><u>11,904,290</u></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 30 November 2020 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 2020**

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### **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 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 Turnover**

Turnover represents rent received from investment properties and management charges receivable.

#### **1.4 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.

#### **1.5 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.

#### **1.6 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.

# SPIRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.8 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.

#### 1.9 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

# SPIRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### 1.10 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.

#### 1.11 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.

#### 1.12 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.

#### 1.13 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 in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	7	7
	<u>      </u>	<u>      </u>

# SPIRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 3 Taxation

	2020 £	2019 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	117,195	149,108
<b>Deferred tax</b>		
Origination and reversal of timing differences	(33,500)	(15,500)
<b>Total tax charge</b>	83,695	133,608

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 April 2019 and 31 March 2020	7,698
<b>Depreciation and impairment</b>	
At 1 April 2019	2,699
Depreciation charged in the year	2,499
At 31 March 2020	5,198
<b>Carrying amount</b>	
At 31 March 2020	2,500
At 31 March 2019	4,999

### 5 Fixed asset investments

	2020 £	2019 £
Investments	1,859,250	1,859,250

# SPIRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 5 Fixed asset investments (Continued)

#### Movements in fixed asset investments

Shares in group undertakings

£

#### Cost or valuation

At 1 April 2019 & 31 March 2020

1,859,250

#### Carrying amount

At 31 March 2020

1,859,250

At 31 March 2019

1,859,250

### 6 Subsidiaries

Details of the company's subsidiaries at 31 March 2020 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, 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	(3,660)	1,763,729

### 7 Investment property

2020

£

#### Cost

At 1 April 2019 and 31 March 2020

7,301,647

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

# SPIRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 8 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	26,674	6,669
Other debtors	745,085	754,395
	<u>771,759</u>	<u>761,064</u>

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

	2020	2019
	£	£
Trade creditors	629	6,287
Amounts due to related parties	3,339,748	4,209,146
Corporation tax	40,275	71,108
Other taxation and social security	68,958	58,358
Other creditors	130,462	106,476
	<u>3,580,072</u>	<u>4,451,375</u>

### 10 Provisions for liabilities

	2020	2019
	£	£
Deferred tax liabilities	11 31,000	64,500
	<u>31,000</u>	<u>64,500</u>

### 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 2020	Liabilities 2019
	£	£
Balances:		
Unrealised gains	<u>31,000</u>	<u>64,500</u>
Movements in the year:		2020
		£
Liability at 1 April 2019		64,500
Credit to profit or loss		(33,500)
Liability at 31 March 2020		<u>31,000</u>

## **SPIRE GROUP LIMITED**

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

***FOR THE YEAR ENDED 31 MARCH 2020***

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#### **12 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 2020 (2019 - £Nil).

#### **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 Related party transactions**

The company has several related parties by virtue of common control. During the year, the company charged management charges of £159,642 (2019 - £145,988) to these companies. At 31 March 2020, included within debtors is an amount of £742,412 (2019 - £742,412) due to the company by related parties and included within creditors is an amount of £3,339,748 (2019 - £4,209,146) due by the company to related parties.

#### **15 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.

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.