
BLUE SPARK HOLDINGS LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2018

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BLUE SPARK HOLDINGS LIMITED
REGISTERED NUMBER: 06542437

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets		460,709	542,345
Tangible assets	3	362,022	271,684
		<u>822,731</u>	<u>814,029</u>
Current assets			
Stocks		103,584	95,219
Debtors: amounts falling due within one year	6	881,994	766,446
Cash at bank and in hand	7	307,749	400,899
		<u>1,293,327</u>	<u>1,262,564</u>
Creditors: amounts falling due within one year	8	(734,227)	(627,118)
Net current assets		<u>559,100</u>	<u>635,446</u>
Total assets less current liabilities		<u>1,381,831</u>	<u>1,449,475</u>
Creditors: amounts falling due after more than one year	9	(100,518)	(119,034)
Provisions for liabilities			
Deferred taxation	10	(51,610)	(41,388)
		<u>(51,610)</u>	<u>(41,388)</u>
Net assets		<u>1,229,703</u>	<u>1,289,053</u>
Capital and reserves			
Called up share capital		150,000	150,000
Profit and loss account		1,079,703	1,139,053
		<u>1,229,703</u>	<u>1,289,053</u>

BLUE SPARK HOLDINGS LIMITED
REGISTERED NUMBER: 06542437

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2019.

Paul Wardleworth
Director



The notes on pages 4 to 13 form part of these financial statements.

BLUE SPARK HOLDINGS LIMITED
REGISTERED NUMBER: 06542437

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	4	2,194,559	2,194,559
Current assets			
Debtors: amounts falling due within one year	6	-	1
Cash at bank and in hand	7	25,724	5,302
Creditors: amounts falling due within one year	8	(1,887,155)	(1,766,404)
Net current liabilities		(1,861,431)	(1,761,101)
Total assets less current liabilities		333,128	433,458
Net assets		333,128	433,458
Capital and reserves			
Called up share capital		150,000	150,000
Profit and loss account		183,128	283,458
		333,128	433,458

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2019.

Paul Wardleworth
Director



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BLUE SPARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

The company is a private limited company registered in England (no. 05257520).

The registered office address is;
Unit 7, Rosewood Park
St James' Road
Blackburn
Lancashire
BB1 8ET

The principal activity of the company is operating as a holding company.

The principal activity of the Group is manufacture of precision machined parts for Aerospace and Defence, Automotive, Chemical, Nuclear and General Engineering industries.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2016.

BLUE SPARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the Group as lessor

Rentals income from operating leases is credited to the Consolidated statement of comprehensive income on a straight line basis over the term of the relevant lease.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.6 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income 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.

BLUE SPARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

BLUE SPARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.10 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 Tangible fixed assets

Tangible fixed 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.

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:

Short leasehold improvements	- 20%
Plant & machinery	- 10-20%
Motor vehicles	- 20%
Fixtures & fittings	- 14%

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 Consolidated statement of comprehensive income.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

BLUE SPARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 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.

2.15 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.

2.16 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.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Consolidated statement of comprehensive income in the year that the Group 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 the Balance sheet.

2.18 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

BLUE SPARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Tangible fixed assets

Group

	S/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 January 2018	24,624	1,780,632	32,990	64,425	1,902,671
Additions	5,226	196,963	-	2,219	204,408
At 31 December 2018	29,850	1,977,595	32,990	66,644	2,107,079
Depreciation					
At 1 January 2018	24,624	1,530,675	23,393	52,295	1,630,987
Charge for the year on owned assets	-	117,111	-	(3,041)	114,070
At 31 December 2018	24,624	1,647,786	23,393	49,254	1,745,057
Net book value					
At 31 December 2018	5,226	329,809	9,597	17,390	362,022
At 31 December 2017	-	249,957	9,597	12,130	271,684

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Short leasehold	5,226	-

BLUE SPARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts; plant and machinery £329,805 (2017 £249,957).

BLUE SPARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	2,194,559
At 31 December 2018	<u>2,194,559</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Precision Parts Engineering Limited	England	Ordinary	100%

The principal activity of the subsidiary was the manufacture of precision machined parts.

5. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on
behalf of Crowe U.K. LLP.

by Michael Jayson (Senior statutory auditor) on

BLUE SPARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade debtors	871,044	754,123	-	-
Other debtors	-	1	-	1
Prepayments and accrued income	10,950	12,322	-	-
	<u>881,994</u>	<u>766,446</u>	<u>-</u>	<u>1</u>

7. Cash and cash equivalents

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Cash at bank and in hand	307,749	400,899	25,724	5,302

8. Creditors: Amounts falling due within one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade creditors	339,044	241,209	-	-
Amounts owed to group undertakings	-	-	1,867,248	1,758,904
Corporation tax	25,216	72,930	-	-
Other taxation and social security	37,776	77,428	-	-
Obligations under finance lease and hire purchase contracts	168,195	100,682	-	-
Other creditors	22,596	8,617	19,907	7,500
Accruals and deferred income	141,400	126,252	-	-
	<u>734,227</u>	<u>627,118</u>	<u>1,887,155</u>	<u>1,766,404</u>

BLUE SPARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. Creditors: Amounts falling due after more than one year

	Group 2018 £	Group 2017 £
Net obligations under finance leases and hire purchase contracts	98,618	105,356
Accruals and deferred income	1,900	13,678
	<u>100,518</u>	<u>119,034</u>

Secured loans

Obligations under finance leases and hire purchase contracts are secured upon the assets to which they relate.

9. Deferred taxation

Group

	2018 £
At beginning of year	(41,388)
Charged to profit or loss	(10,222)
At end of year	<u>(51,610)</u>

	Group 2018 £	Group 2017 £
Accelerated capital allowances	<u>(51,610)</u>	<u>(41,388)</u>

10. Controlling party

The ultimate controlling parties are the directors.

11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 14 August 2019 by Michael Jayson (Senior statutory auditor) on behalf of Crowe U.K. LLP.