

Charity Registration No. 1138625

Company Registration No. 07370594 (England and Wales)

SPIRE (PRESTON) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

SPIRE (PRESTON) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs EM Clarkson Mr PJ Sullivan Mr E Gowling Mrs Lisa Morrell	(Appointed 5 December 2019)
Charity number	1138625	
Company number	07370594	
Registered office	Ground Floor, West Wing Derby House Lytham Road, Fulwood Preston PR2 8JE	
Auditor	Topping Partnership (Accountants) Limited Incom House Waterside Trafford Park Manchester M17 1WD	

SPIRE (PRESTON) LIMITED

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SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Policies and Objectives

The objectives of the charity as established in the Articles of Association are:

1. The relief of persons over the age of 18 with learning and/or physical disabilities primarily but not exclusively in Preston and district (the area of benefit) and of the families of such persons, in particular through the promotion and provisions of supported accommodation.
2. The promotion and provision of education and training facilities for persons over the age of 18 with learning and/or physical disabilities in the area, particularly facilities that will lead to self-reliance and independent living within the community.

Strategies for achieving objectives

Our Business Plan and Strategy 2017-2019, as completed in December 2016 continues to provide us with an organisational strategy for achieving our objectives. We have continued to work hard on achieving the actions that we set ourselves in December 2016. As well as providing direction, this plan has given Spire a way of measuring our success and ensures that we continue to grow in line with our Vision, Purpose and Values.

Our Vision

For people who have a learning disability to be informed and empowered to live the life they choose within their community and achieve their goals, aspirations and dreams.

Our Purpose

Working together to share our values, knowledge, and expertise to provide an individualised and creative service for adults who have a learning disability.

We focus on continually building skills and independence from strengths, gifts and talents.

Our Values

- Dedicated, Individualised, High Quality Support
- Promoting People's Strengths, Creativity, and Contribution
- Demonstrating and Promoting Dignity, Respect, and Compassion for Everyone
- Enthusiastic and Motivated with Positive Attitudes
- Always Ready and Willing to Listen, Learn, Develop, and Grow
- We Aim to Always Maintain Our Integrity

There have been some significant transformations at the organisation over the last three years, driven by the Business Plan. This was reviewed in March 2020, however Covid-19 impacted on this review being finalised, so the Trustees started working on a new Strategic Planning Vision in November 2020 to inform the future development at the organisation.

Main activities undertaken to further the charity's purposes for the public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Activities for achieving objectives

To achieve our objectives Spire currently provide supported living and outreach services to adults over the age of 18, who have a learning disability. We adopt a person-centred philosophy in all our work, supporting each individual in developing plans specific to them to enable them to achieve outcomes, and develop their independence and self-reliance.

Further education and training opportunities are offered through established groups and activities we host for this client group, where we provide the opportunity for the people we support to take leading roles at these, developing specific skills in relation to these roles that could be transferable into their home or a work environment. This promotes the individuals' contribution to their local community and ensures that our groups and activities are member-led, meeting objectives that are important to them. We also provide a forum for further development at our Spire Community Meetings, which are offered to the people we support throughout the year, and cover topics requested by and relevant to them. Since the start of the Covid-19 Pandemic in March 2020 Spire have continued to provide these groups and activities online to ensure we continue to meet our objectives, and provide these opportunities for people, whilst supporting them to minimise the risk of contracting Covid-19.

Achievements and performance

Key financial performance indicators

As a Charity, we believe we are not here to make a profit but are here to make a difference. Our financial focus is sustainability, ensuring that we remain financially viable, and maintain appropriate reserve funds. We have made significant improvements over the last few years which have been reflected in our accounts and are continuing to do so.

As of the 31st March 2020 we were supporting 38 individuals, Spire are continuing to look at how we can develop our model of support and diversification to ensure that we are sustainable in the future. We have been pleased to learn since then that we have succeeded in gaining a place on the Approved Provider List with Lancashire County Council, for the provision of supported living services.

Review of activities

In March 2018 Spire was inspected by the Care Quality Commission (CQC). The report was published in May 2018 and we were pleased to be rated 'Good' in all key areas. We have continued to foster good relationships with CQC since then, and have continued to build on areas identified during our inspection.

We implemented a phased transition of reorganising the organisation, our roles, and ways of working in August 2018 which was developed in consultation with our staff, this was reviewed in September 2019, and again in October 2020 to ensure continuous improvement. This reorganisation aims to improve our efficiency, and effectiveness, and management of our finances. When the Strategic Planning Vision is developed, we will also be working on our Key Performance Indicators to ensure that these support our new ways of working in providing a framework against which to measure our success.

We continued to share our good news and achievements through our quarterly staff briefings and newsletters. And held regular Spire Community meetings with the people we support, giving them the opportunity to provide feedback and to shape our services in the future.

Financial review

Income for the year amounted to £1,023,412 (2019 - £1,037,043) and expenditure totalled £1,025,535 (2019 - £1,036,229).

Funds carried forward to 31 March 2020 totalled £289,849 of which £289,849 was make up of unrestricted funds and £nil restricted funds.

Reserves Policy

The Charity aims to hold three months of resources expended as reserves, the reserves policy is reviewed annually to ensure that required funds are available and contingencies are in place.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Going Concern

It is the policy of the charity the unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that the reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Principal Funding

The Charity's principal funding comes from the Local Authority, Lancashire County Council, who fund Spire per hour of support provided. Other funding is received via direct payments, for individuals who commission their support directly.

Investment policy and performance

As a non-for-profit organisation any investments that Spire make are to sustain and develop the business and services that we offer.

Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future Developments

Over the next 12 months we will be continuing with the implementation of our reorganisation, which adopts a self-organising methodology, valuing each and every staff member and the experience and skills they have to offer. With this reorganisation we have defined clear job roles and responsibilities, and routes of progression for all staff. Alongside this we have developed new supporting documentation for the people we support; Person Centred Portfolios. These enable the people we support to have more input, for their information to be updated more easily, and are more accessible for all, and we have received great feedback on these internally and from professionals thus far. Each of the people we support has a named worker identified to provide them with a dedicated communication channel through which to update their Person Centred Portfolio, and to ensure they are receiving the right support to achieve their Person Centred outcomes. We are hoping to subscribe to an electronic paperwork system to improve communication and information sharing.

We intend to continue to grow and develop our groups and activities. We recognise that these provide an important service for the people we support, but also a link between the organisation and our local community. These assist us in promoting ourselves, and help us to develop our relationships with others outside of the organisation.

We will continue to strengthen our presence in, and contribution to the local and Learning Disability Community. We are regular attendees of the Preston LD Forum, and play a key part locally in Learning Disability Awareness Week, and will continue to do so. We intend to foster positive relationships with local businesses.

We held a business planning day on the 12th March 2020 but unfortunately the Covid-19 Pandemic hit, and other priorities meant we were unable to take these objectives forward. The Trustees have started work on the Strategic Planning Vision from November 2020.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Structure, governance and management

The company is registered as a charitable company limited by guarantee (registered charity number 1138625) and was set up by a Memorandum of Association on 9th September 2010. It commenced its activities on the 1st November 2010 following the transfer of the charitable activities from the unincorporated charity Spire Preston Supported Housing.

The principle object of the company is to provide supported living and outreach services to adults over the age of 18, who have a learning disability.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr JD Prince (Resigned 23 July 2020)

Mrs EM Clarkson

Mrs DA Prince (Resigned 23 July 2020)

Mr PJ Sullivan

Mr E Gowling

Mrs Lisa Morrell (Appointed 5 December 2019)

Method of appointment or election of trustees

Trustees are elected by members of the charity at the Annual General Meeting, or trustees may be co-opted by the Board of Trustees. All trustees hold office until the Annual General Meeting when they can offer themselves for re-election or re-appointment.

Organisational structure and decision making

The trustees delegate the daily running of the Charity to the Service Manager, Susannah Lowde, who is the Registered Manager for the Care Quality Commission (CQC). The Chair Person, Mr Sullivan, is the nominated Individual and registered with CQC. The Charity is considered to be under the control of the Trustees as a whole.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Policies adopted for the induction and training of trustees

The Chair of the Trustees is responsible for the induction of any new trustee which involves awareness of a trustees responsibilities, the governing document, administrative procedures, and the history and philosophical approach of the Charity. A new trustee would receive copies of the previous year's annual report and accounts, and a copy of the Charity Commission leaflet 'The Essential Trustee: What you need to know'.

Funds held as custodian trustee

During this period Spire operated appointee-ships for two individuals whom lacked capacity to manage their finances for themselves. These funds were held in separate bank accounts under the individual's names. Any transactions are documented and receipts are kept. An appointed trustee then audits these against the bank statements on a regular basis. One of these appointee-ships has now been transferred to the Local Authority, whilst the other continues to operate in this way. Spire also operate a voluntary appointee-ship on behalf of one of the individuals whom we support. This is presently operating out of Spire's current account as the longevity of the arrangement was uncertain initially, Spire have now requested a separate account for this.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2020***

Auditor

In accordance with the company's articles, a resolution proposing that Topping Partnership (Accountants) Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Mr PJ Sullivan

Trustee

Dated: 22 June 2021

SPIRE (PRESTON) LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The trustees, who are also the directors of Spire (Preston) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SPIRE (PRESTON) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SPIRE (PRESTON) LIMITED

Opinion

We have audited the financial statements of Spire (Preston) Limited (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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.

Other information

The trustees is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

SPIRE (PRESTON) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SPIRE (PRESTON) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees is responsible for assessing the charity'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SPIRE (PRESTON) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SPIRE (PRESTON) LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel Bowles (Senior Statutory Auditor)
for and on behalf of Topping Partnership (Accountants) Limited 22 June 2021

Chartered Accountants
Statutory Auditor

Incom House
Waterside
Trafford Park
Manchester
M17 1WD

Topping Partnership (Accountants) Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

SPIRE (PRESTON) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income and endowments from:</u>			
Donations and legacies	3	4,548	801
Charitable activities	4	1,015,148	1,031,360
Investments	5	697	1,097
Other income	6	3,019	3,785
Total income		1,023,412	1,037,043
<u>Expenditure on:</u>			
Charitable activities	7	1,025,535	1,036,229
Net (expenditure)/income for the year/ Net movement in funds		(2,123)	814
Fund balances at 1 April 2019		291,972	291,158
Fund balances at 31 March 2020		289,849	291,972

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SPIRE (PRESTON) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		7,228		11,698
Current assets					
Debtors	13	58,122		100,758	
Cash at bank and in hand		279,398		233,450	
		<u>337,520</u>		<u>334,208</u>	
Creditors: amounts falling due within one year	14	<u>(54,899)</u>		<u>(53,934)</u>	
Net current assets			282,621		280,274
Total assets less current liabilities			<u>289,849</u>		<u>291,972</u>
Income funds					
Unrestricted funds			289,849		291,972
			<u>289,849</u>		<u>291,972</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledges her responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 June 2021

Mr PJ Sullivan
Trustee

Company Registration No. 07370594

SPIRE (PRESTON) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		45,455		(54,191)
Investing activities					
Purchase of tangible fixed assets		(204)		(1,375)	
Interest received		697		1,097	
Net cash generated from/(used in) investing activities			493		(278)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			45,948		(54,469)
Cash and cash equivalents at beginning of year			233,450		287,919
Cash and cash equivalents at end of year			279,398		233,450

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Spire (Preston) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Ground Floor, West Wing, Derby House, Lytham Road, Fulwood, Preston, PR2 8JE.

In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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 freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis of consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements. Charitable activities and governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 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:

Fixtures and fittings	15% reducing balance
Computers	33% straight line

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 recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity 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).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	2,901	801
Grants received	1,647	-
	<u>4,548</u>	<u>801</u>

4 Charitable activities

	Unrestricted Income	Unrestricted Income
	2020	2019
	£	£
Provision of care and relief services	<u>1,015,148</u>	<u>1,031,360</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	<u>697</u>	<u>1,097</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising	1,510	1,957
Other Income	1,509	322
Music Group Income	-	1,506
	<u>3,019</u>	<u>3,785</u>

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

7 Charitable activities

	Unrestricted Expenditure	Unrestricted Expenditure
	2020 £	2019 £
Staff costs	939,843	918,068
Depreciation and impairment	4,674	7,448
Rent	23,549	28,896
Rates and water	1,420	783
Repairs and maintenance	13,806	7,082
Insurance	4,974	6,376
Telephone	5,873	4,640
Printing, postage, stationary and advertising	1,874	3,544
Other staff costs	13,790	23,669
Sundry Expenses	2,963	1,861
Subscriptions	2,847	5,702
Bank Charges	217	62
Accountancy Fees	4,816	9,387
Legal Fees	1,440	865
Other Professional Fees	910	2,741
Bad debts	(91)	4,522
	<u>1,023,010</u>	<u>1,025,646</u>
Share of governance costs (see note 8)	2,525	10,583
	<u><u>1,025,535</u></u>	<u><u>1,036,229</u></u>

8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Audit fees	-	2,525	2,525	-	10,583	10,583
	<u>-</u>	<u>2,525</u>	<u>2,525</u>	<u>-</u>	<u>10,583</u>	<u>10,583</u>
Analysed between Charitable activities	-	2,525	2,525	-	10,583	10,583
	<u>-</u>	<u>2,525</u>	<u>2,525</u>	<u>-</u>	<u>10,583</u>	<u>10,583</u>

Governance costs includes payments to the auditors of £2,525 (2019- £10,583) for audit fees.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9	Net movement in funds	2020	2019
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	2,525	10,583
	Depreciation of owned tangible fixed assets	4,674	7,448
	Operating lease charges	23,549	28,896
		<u> </u>	<u> </u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

Number of employees

The average monthly number of employees during the year was:

2020	2019
Number	Number
57	56
<u> </u>	<u> </u>

Employment costs

	2020	2019
	£	£
Wages and salaries	857,857	841,272
Social security costs	60,451	63,550
Other pension costs	21,535	13,246
	<u> </u>	<u> </u>
	939,843	918,068
	<u> </u>	<u> </u>

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration paid to key management personnel for the year was £76,752 (2019: £76,483)

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2019	14,623	22,421	37,044
Additions	204	-	204
	<hr/>	<hr/>	<hr/>
At 31 March 2020	14,827	22,421	37,248
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 April 2019	6,550	18,796	25,346
Depreciation charged in the year	1,228	3,446	4,674
	<hr/>	<hr/>	<hr/>
At 31 March 2020	7,778	22,242	30,020
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2020	7,049	179	7,228
	<hr/>	<hr/>	<hr/>
At 31 March 2019	8,073	3,625	11,698
	<hr/>	<hr/>	<hr/>

13 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	22,417	94,369
Other debtors	85	65
Prepayments and accrued income	35,620	6,324
	<hr/>	<hr/>
	58,122	100,758
	<hr/>	<hr/>

14 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	11,965	13,998
Trade creditors	1,551	6,791
Other creditors	9,841	6,181
Accruals and deferred income	31,542	26,964
	<hr/>	<hr/>
	54,899	53,934
	<hr/>	<hr/>

Included in accruals and deferred income is £8,541 (2019 - £11,338) of deferred income.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £21,535 (2019 - £13,246).

16 Analysis of net assets between funds

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Fund balances at 31 March 2020 are represented by:		
Tangible assets	7,228	11,698
Current assets/(liabilities)	282,621	280,274
	<u>289,849</u>	<u>291,972</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	19,366	25,981
Between two and five years	45,957	34,324
In over five years	-	68,648
	<u>65,323</u>	<u>128,953</u>

Included in the above for 2019 is a total amount of £111,553 relating to 13 Somerset Road, which is a vacant property that the company has a contractual agreement to cover rental losses. In the event that this company will find a tenant for this property, then this rental cost will be met by the tenant.

This property now has a tenant and there is no indication that the house will be empty in the future. Therefore no amounts have been included in the lease commitment note.

18 Events after the reporting date

At the end of the financial year the UK was affected by a global pandemic in relation to coronavirus. This continued into the following financial year.

The nature of the charity in providing care work to individuals meant that difficulties arose in providing services. However most of the funding for the charity has continued. It is unclear yet what the total affect will be on the results of the charity, but the charity considers it has significant reserves to deal with any issues.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

19 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

20	Cash generated from operations	2020 £	2019 £
	(Deficit)/surplus for the year	(2,123)	814
	Adjustments for:		
	Investment income recognised in statement of financial activities	(697)	(1,097)
	Depreciation and impairment of tangible fixed assets	4,674	7,448
	Movements in working capital:		
	Decrease in debtors	42,636	1,212
	Increase/(decrease) in creditors	965	(62,568)
	Cash generated from/(absorbed by) operations	45,455	(54,191)
21	Analysis of changes in net funds		
	The charity had no debt during the year.		