

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 2021

SPIRE (PRESTON) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs EM Clarkson Mr PJ Sullivan Mr E Gowling
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 2021

The trustees presents its annual report and financial statements for the year ended 31 March 2021.

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

We had a Business Plan review meeting in March 2020 which was attended by staff, some of the people we support, their family members and our Charity members. Unfortunately due to the Covid-19 Pandemic this plan was unable to be realised, so we instead focussed on strengthening our board developing a strategic plan and setting goals to enable us to deliver on our strategic objectives. As well as providing direction, this plan has given Spire a way to consider and prepare for our future 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

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 2021

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. From the start of the Covid-19 Pandemic in March 2020 to August 2021 Spire continued to provide these groups and activities online to ensure we continued to meet our objectives, and provide these opportunities for people, whilst supporting them to minimise the risk of contracting Covid-19. More recently we have been able to re-establish some of the groups and activities within their local community venues whilst maintaining stringent Covid-19 risk management measures.

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 2021 we were supporting 34 individuals, Spire are continuing to look at how we can best develop and strengthen the services we provide to ensure that these are protected for the people we support, and that they can continue receiving the support that is important to them in the future. We have been successful 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. We have recently reviewed this again in response to changes that have occurred during the Pandemic to ensure that we are continuously aiming to improve, that workloads are manageable and that quality can be maintained.

We undertook our Investors in People assessment in December 2020 and received renewed accreditation. We received really positive feedback from this.

Financial review

Income for the year amounted to £1,010,517 (2020 - £1,023,412) and expenditure totalled £982,160 (2020 - £1,025,535).

Funds carried forward to 31 March 2021 totalled £318,206 of which £318,206 was made up of unrestricted funds and £nil restricted funds.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

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.

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. There is a concern that progression onto the Approved Provider List will impact Spire's reserve levels as Lancashire County Council will be changing their payment schedule to 30 days in arrears, this is something Spire are in the process of planning for.

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 have 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 Spire will be led by Lancashire County Council in our transition onto the Approved Provider List, and will need to adapt accordingly. We will be focusing on strengthening our roles and responsibilities and defining these more clearly across the organisation, to ensure workloads are manageable, that our regulatory requirements are upheld and that quality is maintained and further developed. We will be implementing an electronic paperwork and care planning system to improve communication and information sharing.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 charity is administered from: Ground Floor, West Wing, Derby House, Lytham Road, Fulwood, Preston PR2 8JE.

The members of 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

(Resigned 13 December 2021)

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 members of the trustees has any beneficial interest in the company. All of the members 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 trustee's 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 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 requested a separate account for this but are awaiting the bank to establish this.

SPIRE (PRESTON) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 Trustees.



Mr PJ Sullivan

Trustee

Dated: 11 January 2022

SPIRE (PRESTON) LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Spire (Preston) Limited for the purpose of company law, is 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 is 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 is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Companies Act 2006. It is 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 2021 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 2021 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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.

SPIRE (PRESTON) LIMITED

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

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 determines 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

11 January 2022

**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 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	3,699	4,548
Charitable activities	4	1,004,186	1,015,148
Investments	5	1,949	697
Other income	6	683	3,019
		<u>1,010,517</u>	<u>1,023,412</u>
Total income			
<u>Expenditure on:</u>			
Charitable activities	7	982,160	1,025,535
		<u></u>	<u></u>
Net income/(expenditure) for the year/ Net movement in funds		28,357	(2,123)
		<u>289,849</u>	<u>291,972</u>
Fund balances at 1 April 2020			
Fund balances at 31 March 2021		<u>318,206</u>	<u>289,849</u>

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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		8,303		7,228
Current assets					
Debtors	13	62,440		58,122	
Cash at bank and in hand		286,997		279,398	
		<u>349,437</u>		<u>337,520</u>	
Creditors: amounts falling due within one year	14	<u>(39,534)</u>		<u>(54,899)</u>	
Net current assets			309,903		282,621
Total assets less current liabilities			<u>318,206</u>		<u>289,849</u>
Income funds					
Unrestricted funds			318,206		289,849
			<u>318,206</u>		<u>289,849</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 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 11 January 2022



Mr PJ Sullivan
Trustee

Company Registration No. 07370594

SPIRE (PRESTON) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	19		8,486		45,455
Investing activities					
Purchase of tangible fixed assets		(2,835)		(204)	
Investment income received		1,948		697	
Net cash (used in)/generated from investing activities			(887)		493
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			7,599		45,948
Cash and cash equivalents at beginning of year			279,398		233,450
Cash and cash equivalents at end of year			286,997		279,398

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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 has 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 2021

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 the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of 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 consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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 the statement of financial activities.

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.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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.

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees is 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.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	36	2,901
Grants received	3,663	1,647
	<u>3,699</u>	<u>4,548</u>

4 Charitable activities

	Unrestricted Income	Unrestricted Income
	2021 £	2020 £
Provision of care and relief services	<u>1,004,186</u>	<u>1,015,148</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>1,949</u>	<u>697</u>

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

6 Other Income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising	-	1,510
Other Income	683	1,509
	<u>683</u>	<u>3,019</u>

7 Charitable activities

	Unrestricted Expenditure	Unrestricted Expenditure
	2021	2020
	£	£
Staff costs	883,646	939,843
Depreciation and impairment	1,761	4,674
Rent	16,951	23,549
Rates and water	799	1,420
Repairs and maintenance	8,126	13,806
Insurance	4,456	4,974
Telephone	2,012	5,873
Printing, postage, stationary and advertising	1,874	1,874
Other staff costs	14,240	13,790
Sundry Expenses	8,933	2,963
Subscriptions	3,719	2,847
Bank Charges	288	217
Accountancy Fees	14,160	4,816
Legal Fees	3,410	1,440
Other Professional Fees	3,260	910
Bad debts	12,000	(91)
Other charitable expenditure	-	105
	<u>979,635</u>	<u>1,023,010</u>
Share of governance costs (see note 8)	2,525	2,525
	<u>982,160</u>	<u>1,025,535</u>

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	2,525	2,525	-	2,525	2,525
	-	2,525	2,525	-	2,525	2,525
Analysed between Charitable activities	-	2,525	2,525	-	2,525	2,525

Governance costs includes payments to the auditors of £2,525 (2020- £2,525) for audit fees.

9 Net movement in funds

Net movement in funds is stated after charging/(crediting)

	2021 £	2020 £
Fees payable to the company's auditor for the audit of the company's financial statements	2,525	2,525
Depreciation of owned tangible fixed assets	1,761	4,674
Operating lease charges	16,951	23,549

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

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	52	57
Employment costs	2021 £	2020 £
Wages and salaries	812,559	857,857
Social security costs	50,518	60,451
Other pension costs	20,569	21,535
	883,646	939,843

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

11 Employees

(Continued)

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

Total remuneration paid to key management personnel for the year was £54,398 (2020: £76,752)

There were no employees whose annual remuneration was more than £60,000.

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2020	14,827	22,421	37,248
Additions	-	2,835	2,835
At 31 March 2021	14,827	25,256	40,083
Depreciation and impairment			
At 1 April 2020	7,777	22,242	30,019
Depreciation charged in the year	1,049	712	1,761
At 31 March 2021	8,826	22,954	31,780
Carrying amount			
At 31 March 2021	6,001	2,302	8,303
At 31 March 2020	7,049	179	7,228

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	17,313	22,417
Other debtors	85	85
Prepayments and accrued income	45,042	35,620
	62,440	58,122

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	(2,469)	11,965
Trade creditors	14,189	1,551
Other creditors	5,081	9,841
Accruals and deferred income	22,733	31,542
	<u>39,534</u>	<u>54,899</u>

Included in accruals and deferred income is £12,522 (2020 - £8,541) of deferred income.

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 £20,569 (2020 - £21,535).

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fund balances at 31 March 2021 are represented by:		
Tangible assets	8,303	7,228
Current assets/(liabilities)	309,903	282,621
	<u>318,206</u>	<u>289,849</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:

	2021 £	2020 £
Within one year	17,400	19,366
Between two and five years	-	45,957
	<u>17,400</u>	<u>65,323</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

SPIRE (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

19	Cash generated from operations	2021	2020
		£	£
	Surplus/(deficit) for the year	28,357	(2,123)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,949)	(697)
	Depreciation and impairment of tangible fixed assets	1,761	4,674
	Movements in working capital:		
	(Increase)/decrease in debtors	(4,318)	42,636
	(Decrease)/increase in creditors	(15,365)	965
	Cash generated from operations	8,486	45,455
		<hr/>	<hr/>
20	Analysis of changes in net funds		
	The charity had no debt during the year.		