

**THE NATIONAL GUILD OF SPAR LIMITED**  
**(A company limited by guarantee)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2020**

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**THE NATIONAL GUILD OF SPAR LIMITED**

(A company limited by guarantee)

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**COMPANY INFORMATION**

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**Directors**

M D W Hall  
P W Dodding  
P J Doody  
P A McBride  
G Hallam  
N J Kenworthy (resigned 26 February 2020)  
M Boardman  
J P Taylor  
P A Stone  
M S Sadiq  
J Taylor-Green  
M Cleary  
M Leonard  
L Drake  
C O L Hoste (appointed 23 September 2019)  
R Tucker (appointed 26 February 2020)

**Registered number**

00598417

**Registered office**

Mezzanine Floor  
Hygeia Building  
66-68 College Road  
Harrow  
Middlesex  
HA1 1BE

**Independent auditors**

MHA MacIntyre Hudson  
Chartered Accountants & Statutory Auditors  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2FD

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## **THE NATIONAL GUILD OF SPAR LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2020**

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The directors present their report and the financial statements for the year ended 30 April 2020.

#### **Principal activity**

The principal activities of the company are to promote and foster co-operation between SPAR regional distribution companies and retail members of SPAR, in particular the National Guild of SPAR Limited considers and advises upon the group's marketing and advertising strategy, retail development, administers the SPAR Benevolent and Charitable Funds, arranges annual conventions and study tours and represents the United Kingdom SPAR retailers at Inter-SPAR meetings.

The company does not carry out any trading activities. It does not have a share capital and is limited by guarantee. The company aims to make neither a profit nor a loss.

#### **Business review**

The National Guild of SPAR Limited is a representative body consisting of equal numbers of elected SPAR retailers and wholesalers. The National Guild of SPAR Limited is a company limited by Guarantee. It is incorporated and registered in England and Wales. The company is governed by the company's Articles of Association.

SPAR is the largest and most successful retail voluntary trading group in the UK and comprises 5 SPAR regional distribution companies serving approximately 2,432 convenience stores trading under the SPAR name within the grocery and convenience sector.

The results for the period ended 30 April 2019 are shown in the profit and loss account on page 7. The profit for the period was £6,894 (2019: £160,799).

#### **COVID-19**

The directors are pleased to report that the National Guild of SPAR Limited has continued to operate throughout the period of disruption caused by the global pandemic. The organisation works closely with SPAR (UK) Limited, who continue to trade and collect capitation fees on behalf of the National Guild of SPAR Limited.

The directors have concluded that the Financial Statements should be prepared on the going concern basis and any impact of the COVID-19 pandemic is a non-adjusting event for the purpose of the financial statements.

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**THE NATIONAL GUILD OF SPAR LIMITED**

(A company limited by guarantee)

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 APRIL 2020**

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**Directors' responsibilities statement**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

**Directors**

The directors who served during the year were:

M D W Hall  
P W Dodding  
P J Doody  
P A McBride  
G Hallam  
N J Kenworthy (resigned 26 February 2020)  
M Boardman  
J P Taylor  
P A Stone  
M S Sadiq  
J Taylor-Green  
M Cleary  
M Leonard  
L Drake  
C O L Hoste (appointed 23 September 2019)  
R Tucker (appointed 26 February 2020)

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**THE NATIONAL GUILD OF SPAR LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2020**

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**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 November 2020 and signed on its behalf.

**M Boardman**

**Director**

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**THE NATIONAL GUILD OF SPAR LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL GUILD OF SPAR LIMITED**

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**Opinion**

We have audited the financial statements of The National Guild of Spar Limited (the 'Company') for the year ended 30 April 2020, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes, 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 Company's affairs as at 30 April 2020 and of its profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

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**THE NATIONAL GUILD OF SPAR LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL GUILD OF SPAR LIMITED (CONTINUED)**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.



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**THE NATIONAL GUILD OF SPAR LIMITED**

(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL GUILD OF SPAR LIMITED (CONTINUED)**

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**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 2, the directors are 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 directors 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 directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Blundell LLB FCA FCIE DChA (Senior statutory auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants

Statutory Auditors

Rutland House

148 Edmund Street

Birmingham

B3 2FD

27 January 2021

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**THE NATIONAL GUILD OF SPAR LIMITED****(A company limited by guarantee)**

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**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 APRIL 2020**

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	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
Turnover		<b>255,849</b>	268,373
Administrative expenses		<b>(252,653)</b>	(111,911)
<b>Operating profit</b>		<b>3,196</b>	156,462
Interest receivable and similar income		<b>4,565</b>	5,313
<b>Profit before tax</b>		<b>7,761</b>	161,775
Tax on profit	4	<b>(867)</b>	(976)
<b>Profit after tax</b>		<b>6,894</b>	160,799
Retained earnings at the beginning of the year		<b>244,888</b>	84,089
		<b>244,888</b>	84,089
Profit for the year		<b>6,894</b>	160,799
<b>Retained earnings at the end of the year</b>		<b>251,782</b>	244,888

The notes on pages 9 to 12 form part of these financial statements.

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**THE NATIONAL GUILD OF SPAR LIMITED****(A company limited by guarantee)****REGISTERED NUMBER: 00598417**

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**BALANCE SHEET**  
**AS AT 30 APRIL 2020**

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	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	14,404	12,365
Cash at bank and in hand		308,653	249,979
		<u>323,057</u>	<u>262,344</u>
Creditors: amounts falling due within one year	6	(71,275)	(17,456)
<b>Net current assets</b>		<u>251,782</u>	<u>244,888</u>
<b>Total assets less current liabilities</b>		<u>251,782</u>	<u>244,888</u>
<b>Net assets</b>		<u><u>251,782</u></u>	<u><u>244,888</u></u>
<b>Capital and reserves</b>			
Profit and loss account		<u><u>251,782</u></u>	<u><u>244,888</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on 25 November 2020.

**M Boardman**  
**Director**

The notes on pages 9 to 12 form part of these financial statements.

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**THE NATIONAL GUILD OF SPAR LIMITED**

(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**1. General information**

The National Guild of SPAR Limited (the Company) is a private company limited by guarantee incorporated and domiciled in England. The address of its registered office and principal place of business is Mezzanine Floor, Hygeia Building, 66-68 College Road, Harrow, Middlesex, HA1 1BE.

The financial statements are prepared in sterling, which is the functional currency of the entity and are rounded to the nearest £1.

**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 following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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:

Revenue includes capitation fees receivable from members during the period exclusive of VAT.

Revenue is recognised when it becomes receivable to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured.

**2.3 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

**2.4 Taxation**

Tax is recognised in the Statement of income and retained earnings, 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 operates and generates income.

**2.5 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**2. Accounting policies (continued)****2.6 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.

**2.7 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.

**2.8 Financial instruments**

The Company 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 ordinary shares.

**3. Employees**

The average monthly number of employees, including directors, during the year was 15 (2019 - 15).

**4. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	867	1,010
Adjustments in respect of previous periods	-	(34)
	<u>867</u>	<u>976</u>
<b>Total current tax</b>	<u>867</u>	<u>976</u>

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**THE NATIONAL GUILD OF SPAR LIMITED****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**4. Taxation (continued)****Factors affecting tax charge for the year**

The company is not treated as trading for taxation purposes. Corporation tax is payable on investment income. Any surplus, after allowing for deficits brought forward from earlier periods, is treated as a disallowable expense in the members' capitation fees paid to the company.

The tax assessed for the year is the same as (2019 - the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%) as set out below:

	2020 £	2019 £
Bank interest receivable	<u>4,565</u>	<u>5,313</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	867	1,010
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	-	(34)
<b>Total tax charge for the year</b>	<u>867</u>	<u>976</u>

**5. Debtors**

	2020 £	2019 £
Other debtors	2,842	1,043
Prepayments and accrued income	11,562	11,322
	<u>14,404</u>	<u>12,365</u>

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**THE NATIONAL GUILD OF SPAR LIMITED**

(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**6. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Amounts owed to related parties	50,713	-
Corporation tax	867	1,010
Other creditors	7,662	4,723
Accruals and deferred income	12,033	11,723
	<u>71,275</u>	<u>17,456</u>

**7. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation and at 30 April 2020 there were 2,335 members (2019: 2,432).

**8. Related party transactions**

The National Guild of SPAR Limited works closely with SPAR (UK) Limited. SPAR (UK) Limited collects capitation fees on behalf of The National Guild of SPAR Limited, and provides a number of other services to The National Guild of SPAR Limited; a management charge is levied for provision of these services of £20,500 (2019: £19,700). Amounts still outstanding at the year-end totalled £50,713 (2019: £nil).

SPAR Food distributors Limited nominates two directors to The National Guild of SPAR Limited. The National Guild of SPAR Limited is a sole trustee of the SPAR Charitable Fund (Registered Charity Number: 236252), and the SPAR Benevolent Fund.

During the period, the directors were reimbursed £3,664 (2019 £5,840) for out of pocket expenses incurred attending board meetings, charity balls and the study tour. There were no balances outstanding with Directors at the year-end (2019: £nil)

There were no transactions with related parties outside of the normal course of business and there were no write offs of debts due to or for related parties.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.