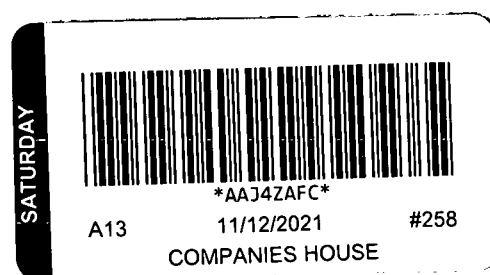


REGISTERED COMPANY NUMBER: 04343347 (England and Wales)
REGISTERED CHARITY NUMBER: 1093653

**GROUP REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021
FOR
INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES.
(A COMPANY LIMITED BY GUARANTEE)**

Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP



INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

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FOR THE YEAR ENDED 31ST MARCH 2021**

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INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST MARCH 2021**

TRUSTEES

C N Warne – Chairman
M F Barnett (resigned 01/04/21)
M Gibson
A R Jacobson
A J Keating
K J O'Malley (resigned 01/04/21)
N Ratcliffe (resigned 01/05/20)
A M Sinclair
S T Q Williams

REGISTERED OFFICE

The Venue
Elstree Way
Borehamwood
Hertfordshire
WD6 1JY

REGISTERED COMPANY NUMBER 04343347 (England and Wales)

REGISTERED CHARITY NUMBER 1093653

AUDITORS

Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

CHIEF EXECUTIVE

R W Allan (appointed 01/06/21)
D Brame (resigned 31/05/21)

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the group for the year ended 31st March 2021. The Trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The principal activities are those encompassed within the Memorandum of Association, which principally involve managing leisure and family support centres.

InspireAll Leisure & Family Support Services (InspireAll) exists to promote and preserve good health, wellbeing and more active lifestyles for the communities it serves. Specifically, it provides leisure services to the residents of Hertsmere (HBC) and Milton Keynes (MKC). In addition, through contracts with Hertfordshire County Council (HCC), the Charity provides family centre services to the boroughs and districts of Hertsmere, Three Rivers, St Albans, Watford and Dacorum. This entails being the lead agency in supporting work with children aged pre-birth to 11 years old in these areas and requires the provision of staff and expertise.

The leisure sector is highly competitive, with budget gyms at one end of the price spectrum and expensive sports clubs at the other. InspireAll's role in this sector is to deliver services on behalf of Local Authorities and, as such, seek to appeal to as wide a spectrum of customers as possible. InspireAll therefore operate a pricing policy that makes the facilities accessible yet generates sufficient surplus to allow investment in keeping facilities and equipment up-to-date. In addition, InspireAll operates a concessionary pricing policy to encourage disadvantaged sections of the community to participate, with each site offering a programme of activity to support specialist groups to encourage them to make use of the facilities.

Who used and benefited from our services

The leisure side of the business manages four major leisure centres, plus community centres, pavilions and a theatre. The facilities are used by individuals, groups and clubs, with a wide range of activities on offer that allow individuals of all ages to participate at the level and intensity that suits their personal need and ability. Every centre is open to all, either on a membership or "pay-as-you-go" basis and a concessionary pricing scheme is operated within each contract to encourage participation and, whenever possible, remove barriers to following a healthy lifestyle.

The provision of Family Support Services, on behalf of Hertfordshire County Council, has grown to become a significant part of the business. The current six-year contract, which commenced on 1st October 2018, sees InspireAll managing 35 Family Centres in the boroughs of Hertsmere, Dacorum, Watford, Three Rivers, and St Albans. In these areas, the aim is to establish contact with every new parent and offer them a range of services - advice, classes, one-to-one assistance - that can help them with parenting, assist them to lead healthy lives, give children the best start in life and allow them to reach their full potential. The service unifies family centre staff, health visitors and school nursing under a single umbrella, offering a joined-up service that allows easy access.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Public Benefit

The Board of Trustees confirm that they have complied with the duties of Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

InspireAll has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievement and performance

Review of activities

The year ending March 2021 has been uniquely challenging, with all leisure facilities instructed to close on 23rd March 2020 due to the COVID-19 pandemic. The vital work done by the Family Services business continued, but under significantly changed circumstances.

Survival became the name of the game. With dates for re-opening uncertain, the leisure facilities were put into "hibernation" in a state that would allow re-opening as quickly as possible, with health and safety considerations paramount. Positive discussions were held with Hertsmere Borough Council and Milton Keynes Council to secure relevant funding and payment holidays, whilst other funds, such as the Cultural Recovery Fund, were successfully accessed. Extensive use was made of the Coronavirus Job Retention Scheme ("furlough").

The leisure business had to adapt quickly and develop services in new areas such as outdoor group exercise and online virtual classes, many of which have continued post the COVID lockdown, but for most leisure customers the facilities effectively closed. InspireAll was pleased that some of the facilities were able to act as COVID testing and vaccination centres.

The funding for Family Services remained in place, but this part of the Charity had to change to delivering its services on-line, from home, necessitating a rapid learning curve for many in the business. The staff rose to the challenge magnificently, delivering courses and consultations via their newly acquired laptops.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Contract reviews

Hertsmere Borough Council Contract (HBC)

The year should have seen InspireAll start to reap the benefits of the major investment programme undertaken over the previous two financial years. Instead, with COVID striking, attention had to be focused on keeping costs to a minimum, accessing whatever COVID funding was available and negotiating a new schedule for the repayment of the interest and loans related to the investment programme.

The HBC sites closed in March 2020, with the exceptions of the Day Nurseries, which remained open throughout. In the first lockdown, staff initially focused on customer communications, contacting members and hirers to reassure them that their bookings and memberships would be treated fairly. Credits were produced for the majority of customers, with some refunds. Pay-as-you-go memberships were extended for the same length as the facilities were closed, monthly memberships and swimming lessons were paused and periods of credits were calculated and applied. Tickets for shows were either re-booked or refunded.

After this initial phase of activity, all but a small core of staff were placed on furlough through the first and subsequent lockdowns. Facilities were put in a low-power state, with daily building checks completed on the larger facilities that had swimming pools and three per week on the smaller, non-pool facilities. Some small facility use was allowed for supporting food distribution and providing facilities for pop-up testing sites.

Leading up to the reopening at the end of July 2020, the facilities were made COVID secure, with one-way systems, screens and disinfection measures. Staff were retrained and welcomed back in the week prior to reopening. The initial reopening was steady, with significantly reduced footfall, but was well received by returning customers. Reduced maximum capacities were implemented and booking systems were put place, as per government and sports bodies' guidance. Services like the "Health Hub" and "Get Active" programmes were operated remotely.

Throughout the pandemic, the activities and facilities were managed according to the relevant government advice of the time. Each activity was risk assessed based on the relevant guidance for the facility type and the specific industry guidance for the activities.

The autumn lock-down replicated the same process of closing, informing customers and furlough. During this period, the introduction of the Legend booking system was completed, with staff training in time for the winter re-opening. Working collaboratively with Stevenage Leisure Ltd, a new Health and Safety policy framework was also introduced.

From October 2020 to March 2021, Wylllyotts Theatre was the beneficiary of a successful Cultural Recovery Fund bid, securing £306k which was used to upgrade parts of the facility, in particular the ventilation, to retain staff talent and offer a limited programme of entertainment when legally allowed. This funding precluded Wylllyotts' staff from being furloughed and they turned their hands to completing the redecoration of the facility.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

The early December reopening of leisure facilities was complicated by a rapid move of Hertsmere through different COVID alert levels, with varying restrictions on the activities allowed to operate. A responsive programme allowed facilities to remain open through this period. An improved digital fitness option was available for customers and activities like the Christmas Window Displays provided some customer engagement.

During December, the National Leisure Recovery Fund and a second round of the Cultural Recovery Fund were announced and applied for. Working with HBC, £198k was secured for the three leisure centres and £129k additional funding secured for Wylyotts for the first quarter of 2021-22 financial year. Smaller, but significant, local restrictions funding was applied for throughout the lockdowns through HBC.

In January, HBC formally approved a package of measures to ensure InspireAll's solvency, comprising;

- Extension of the Leisure Services Contract by five years to 31 January 2032.
- Recovery of the 2020/21 management fee from the government's irrecoverable loss of income scheme.
- Deferring the management fee due in 2021/22 and recovering this through a re-negotiated management fee over the extended contract period.
- Deferring the development loan repayments (principal and interest) for the 2020/21 and 2021/22 financial years.
- InspireAll to take responsibility for the costs associated with the interim management of Bushey Community Centre.

Through January to March 2021, facilities within the contract were used as COVID testing locations on a regular basis, to support Hertfordshire County Council. During this period, re-opening plans were completed based on the government's Spring Road Map, with outdoor activities returning in a limited capacity, such as paddle tennis, pitch bookings and a park events Easter Egg Hunt.

Milton Keynes Council Contract (MKC)

As with the HBC contract, the leisure facilities were closed for all but a few weeks in the trading year. MKC agreed to pay the management fee in advance, ensuring suitable cashflow to maintain operations for this financial year.

For the majority of the year sites remained closed, excluding the sites that are home for the three pre-schools running within the MK contract. Football academies returned slightly ahead of the other services as essential business was released from full lockdown restrictions. The first period of lockdown was extremely intense and largely dominated by governance, health and safety and restriction changes, at what felt like, daily.

Communication to the team was highly prioritised to ensure contact, engagement and ensure their wellbeing was cared for. The team were sent sufficient resources to support them, along with opportunity to train and develop as lockdown continues. Training included a new Covid and long-Covid training opportunity to allow a large number of the team to engage, support and prescribe exercise for those either rehabilitating from recent Covid or those with long-Covid.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

The sites, although extremely quiet, were managed by a specific team who carried out statutory and compliance safety checks. Redecoration across the whole estate was also completed and improvements to the pool plant as well as a new CHP, all took place during the periods of closure.

Funding and grant applications continue to support the income losses incurred. Although a far stretch from what was actually needed, £170k was received from the National Leisure Recovery Fund and other small grants.

Hertfordshire County Council Family Support Services Contract

2020/21 was a challenging year for both the Family Support Service and InspireAll Nurseries due to the pandemic and the ever-changing situation. In line with Government guidelines, the Family Support Service continued to provide key support to local families throughout the year. Due to the restrictions, the majority of Family Support staff worked from home. Their much-valued support was initially provided virtually or via the phone. Prompt action was taken to transfer key parenting support sessions into an online offer. Due to the necessity for home working, InspireAll invested resources into providing staff with appropriate IT equipment and mobile phones.

Throughout the year, Hertfordshire County Council continued to undertake their quarterly Contract Monitoring meetings. InspireAll was able to demonstrate a wide range of innovative approaches to adapting service delivery to the new operating environment. The increased use of social media was key, with regular Facebook and Instagram Live sessions running for parents of young children to access, as well as the use of Zoom and MS Teams to deliver a wide range of parenting courses.

During the year, Hertfordshire County Council requested a change in the focus of the Family Support Services, this involved scaling down the universal offer to all families in order to increase resources for more targeted services to support families with emerging and more complex needs. These needs included speech and language delay, concerns with parents' mental health, increased levels of domestic abuse and children falling behind in reaching their developmental milestones. InspireAll ensured that delivery staff received appropriate additional training where required, whilst regular support from their line managers and colleagues was provided to try and mitigate the stresses of the more complex work and potential feelings of isolation due to home working. In addition, a regular wellbeing newsletter was developed with contributions from across the teams and staff consultations were undertaken periodically to understand how the organisation could support the staff further, with appropriate steps put in place to respond to these needs.

As the year progressed, key services were able to be delivered face-to-face from Family Centres. In order that families and staff were protected, comprehensive health and safety risk assessments were undertaken and continually reviewed. When the vaccines became available, Hertfordshire County Council prioritised Family Support staff to receive them, for which staff were very grateful.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

In line with Government directives, Furzefield Nursery closed between April and June 2020. The Nursery at the BECC remained open, providing care to vulnerable children and children of key workers. As the year progressed, both nurseries were able to offer their services to all their families. InspireAll developed a comprehensive programme of risk assessments to ensure children, their parents and staff were reassured and protected and that the nurseries could both function well. Both nurseries ended the year with strong occupancy levels, despite the challenges faced.

Financial review

Financial position

The results for the year are set out in the financial statements.

Total income, before interest on the defined benefit pension scheme was £8,914,285 (2020: £17,833,496). The deficit for the financial year, before the pension adjustment, was £2,187,586 (2020: £31,681 deficit).

The pension adjustment was a deficit of £1,191,000 (2020: £1,031,000), which resulted in an adverse net movement in funds of £1,174,000 (2020: £1,046,681).

Principal funding sources

In the leisure sector, the main source of income derives from the individual customers that are attracted to and use the facilities, in competition with other fitness and leisure businesses. In a "normal" year, membership income derived from the gym, fitness classes and swimming is the key income source, but with the pandemic impacting so dramatically, the Charity depended heavily on using the furlough scheme and securing significant grant money, as described previously in the Contract Review sections of this report.

Milton Keynes Council paid a £313k annual management fee for the day-to-day running of several community facilities.

Hertsmere BC provided the loan, on commercial terms, for the programme of investment undertaken over the previous two years. Repayments are being rescheduled as part of the Charity's COVID recovery plan.

The Family Support Services business is wholly funded by Hertfordshire County Council, under a six-year contract secured following a competitive tendering process.

InspireAll does not undertake general fundraising activities on its own behalf and does not employ professional fund-raisers or commercial participators. As a consequence, InspireAll was not subject to an undertaking to be bound by any voluntary or statutory schemes for regulating or monitoring fundraising.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Financial review

Reserves policy

At the end of the financial year, the Trust held negative unrestricted reserves (excluding retirement benefit obligations) of £598,282 (2020: positive reserves of £1,534,507) and a cash balance of £2,283,969 (2020: £1,850,114). The current deficit position is a direct impact of the COVID-19 pandemic. As the business continues to rebuild and stabilise, the aim is to fully recover the deficit over the next 1 to 2 years and maintain a level of between £500K and £1m moving forward.

The defined benefit pension fund obligation is monitored closely but is not seen as an immediate threat to the day-to-day business of the Trust.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue to operate for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Principal risks and uncertainties

In a highly competitive marketplace, InspireAll needed to invest a substantial sum in upgrading its key facilities. There was a high degree of confidence that this investment would pay off, but the risk clearly existed that this might not be the case.

The initial signs were encouraging, but the COVID lockdown stalled the initial momentum. However, worthwhile discussions took place with both our Local Authority leisure clients that significantly relieved the pressure on the business. Most importantly, Hertsmere BC agreed to defer repayment of the £4.8m investment loan, as well as interest and rent. Hertsmere BC has also agreed a five-year contract extension, which gives InspireAll more time to gain a return on the recent investment programme. This support from the Council is hugely significant and is a reflection of the good working relationship the business has maintained over the years with its largest leisure client. Likewise, Milton Keynes Council has agreed to pay its annual contract fee in advance, should it be required.

The Family Support Services income stream is contractually secure, although the range and standard of service that the contract requires must continue to be provided. The efficiency with which InspireAll has managed the business has provided the finance for the additional IT resources, infrastructure and the development of on-line training packages.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Financial review

Future plans

Having invested significant sums in renewing and enhancing selected key facilities, the focus of the business had turned to ensuring these investments are fully exploited over the next few years. This remains the case in the longer-term, but the impact of the COVID lockdowns means that the immediate focus has to be on ensuring the short to medium term survival of the leisure business.

As mentioned above, InspireAll has secured vital support from its Local Authority clients. It has used social media to maintain dialogue with individual customers. Future focus will be to rebuild the membership base across all the contracted leisure facilities. The recent switch to the "Legend" customer management system will leave the business in a better place to achieve this objective.

Cost control will become even more important. To this end, in a joint initiative with Stevenage Leisure, a new HR system will be implemented which will dramatically improve our management of staff costs and release managers from the many hours currently spent on paperwork. Payback will be seen in the first year.

In respect of the Milton Keynes contract, it is likely that some of the small community facilities will be taken back into the control of the relevant parish councils.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and charity constitution

The Trust and the group are registered as a charitable company (number 1093653) limited by guarantee and were set up by a Memorandum of Association on 1 December 2003.

The Memorandum and Articles of Association were revised in 2006 to accommodate the addition of children's centres (now termed "family centres") services to the portfolio. The Memorandum and Articles of Association were further revised at the AGM in 2016 to remove non-trustees as Members of the Company.

The Members are the guarantors of the Charitable company and each has undertaken to contribute such amount as may be required (but not exceeding £1 each) to the Charitable Company's assets if it should be wound up while he or she is a member or within one year after he or she should cease to be a member, for payment of the Charitable company's debts and liabilities contracted before he or she ceased to be a member, and of the costs, charges and expenses of the winding up, and for the adjustments of the rights of the contributors among themselves.

The Charity is required to have between three and eleven Trustees. They are the Trustees of InspireAll in accordance with the Charities Act 2011 and they are also Directors in accordance with the Companies Act 2006. At the end of the financial year the number stood at eight, one having left due to family commitments, one due to relocation and a third due to work commitments.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Recruitment and appointment of new trustees

The Board is continually seeking to recruit new Trustees to achieve a breadth of experience and skills. Vacancies are advertised as necessary, with suitable candidates initially meeting the Chair and Chief Executive to explore the opportunity. Candidates are then invited to attend two Board meetings as observers, prior to possible appointment.

Induction and training of new trustees

Many Trustees are users of the facilities, so often come to the business with their experience as customers. All new Trustees are encouraged to spend time with managers in various locations, to gain further insight into the business. A trustee guidebook has also been produced, which provides a handy guide to the business and trustees' responsibilities.

Organisational structure and decision making

The Board of Trustees meets at least every two months and has delegated the responsibility for administering the charity to a management team that has been formed jointly with SLL:

Richard Allan	Chief Executive Officer (appointed 01/06/2021)
Robert Keegan	Head of Finance (resigned 31/12/2020)
Natalie Palmer	Head of Finance (appointed 17/05/2021)
Liz Applin	Head of Family Centres
Lee Medlock	Head of Operations (appointed 01/07/2021)
Adrian Hill	Head of IT
Donna Radics	Head of HR
Martin Smith	Head of Facilities

In addition to the Board Meetings, there are regular meetings of the Finance and Development Committee and the HR Committee.

The current Board offers professional expertise encompassing finance, customer relations, law, food & beverage, marketing, HR and energy efficiency, in addition to the general management experience of operating at senior levels in their respective professions.

None of the three Local Authorities presently served by InspireAll (Hertsmere Borough Council, Milton Keynes Council and Hertfordshire County Council) nominate people for consideration by the Trustees.

Pay policy for senior staff

The pay and remuneration for key management personnel is based on benchmarking of similar roles in comparable organisations. Changes in remuneration of key management personnel are agreed by the Board.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

Cooperation with other organisations

InspireAll operates independently, but occupies buildings owned by Hertsmere Borough Council, Milton Keynes Council and Hertfordshire County Council. InspireAll works with and supports the respective Councils in their health, leisure and children's objectives where they coincide with the aims of the Charity.

The Family Support Services team works in co-operation with Hertfordshire Community Trust, Barnardo's and One YMCA.

InspireAll and Stevenage Leisure Limited (SLL) have pooled selected head office functions in order to achieve economies of scale and improved support. As an example, InspireAll have adopted the SLL customer management system, Legend, which is allowing IA to deliver a far better customer experience at lower cost than using its own system.

Risk management

Key risks are identified as part of the annual strategic planning process. The Board and the Finance & Development Committee review monthly management accounts, re-forecasts and Key Performance Indicators at each meeting. Other non-financial risks are reviewed regularly, with the Risk Register updated as necessary.

EVENTS SINCE THE END OF THE YEAR

The leisure centres were able to reopen from the 12th of April 2021, with some restrictions still in place. Workout Classes resumed on the 17th May 2021, again with restrictions. Wyllyotts reopened in full in September 2021.

Swimming has bounced back impressively, to approach pre-COVID levels. Membership sales have been good, but have been counter-balanced by cancellations. High-intensity classes have taken the biggest hit, as customers remain wary of the virus, despite the centres switching their systems to maximum extract. It would appear that recovery will be slow. In the light of this experience, revised medium-term plans are being drawn up.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The company and the group carry out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The company and the group have implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities
- Volunteers' Policy
- Health & Safety Policy

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

GROUP REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

In accordance with the company and the groups Equal Opportunities Policy, the charity and the group has long established fair employment practices in the recruitment selection, retention and training of disabled staff.

Full details of these policies are available from the charity and the group's offices.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of InspireAll Leisure and Family Support Services for the purposes of company law) are responsible for preparing the Report of the Trustees and the consolidated 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"

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES


**GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

AUDITORS

The auditors, Wags LLP t/a Wagstaffs, will be proposed for re-appointment at the forthcoming Annual General Meeting.

InspireAll uses its auditors to help prepare the Financial Statements. to safeguard auditor objectivity and independence, InspireAll request that a member of staff separate to the audit team is used to prepare the statutory accounts.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~25th November 2021~~ and signed on the board's behalf by:


.....

C N Warne - Chairman

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES**

Opinion

We have audited the consolidated financial statements of InspireAll Leisure and Family Support Services (the 'charitable company') and its subsidiary (the 'group') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Financial Position, the Charity Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the consolidated 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the charitable company's and group's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 charitable company and group in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Material uncertainty relating to going concern

We draw your attention to note 2 in the financial statements, which indicates that the charity has incurred outgoing net movement in funds of £2,187,589 (£3,378,589 after retirement benefit obligations) in the year ended 31st March 2021 and as of this date, the charity's total funds were in deficit by £626,089 (£3,065,089 after retirement benefit obligations) as a result of the COVID 19 pandemic. As stated in note 2, these events or conditions along with other matters are set out in note 2 indicate that a material uncertainty exists that may cast significant doubt on the charity as a going concern. Our opinion is not modified in this respect.

Except as detailed above, 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 consolidated financial statements is not appropriate; or
- the trustees have not disclosed in the consolidated financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 consolidated financial statements are authorised for issue.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our Report of the Independent Auditors thereon.

Our opinion on the consolidated 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 consolidated 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 consolidated 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.

Opinions 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 Group Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the consolidated financial statements; and
- the Group Report of the Trustees 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 charitable company and group and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company and group for the purposes of company law) are responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the charitable company and group'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 group or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:

- We obtained an understanding of the legal and regulatory framework applicable to the charity and the sector in which they operate. We determined that the following laws and regulations were most significant: the Companies Act 2006 and the Charities Act 2011.
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks by making inquiries to the management. We corroborated our inquiries through our review of board minutes and papers provided by those charged with governance.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team include:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgments made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with the relevant laws and regulations.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES**

Our responsibilities for the audit of the financial statements

- We have reviewed the financial statements and considered whether they are consistent with our understanding of the entity or indicate a previously unrecognised risk of material misstatement that could be due to fraud.

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. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



M R Hubbocks FCA (Senior Statutory Auditor)
for and on behalf of Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP.

Date: 25th NOVEMBER 2021

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2021**

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Charitable activities	3	8,849,871	-	8,849,871	16,661,730
Other trading activities		64,414	-	64,414	1,171,766
Other income	5	2,192,125	-	2,192,125	226,000
Total		11,106,410	-	11,106,410	18,059,496
EXPENDITURE ON					
Fundraising trading		40,831	-	40,831	606,869
Charitable activities	4				
Operation of leisure facilities		8,265,678	-	8,265,678	11,444,144
Children's and family centres		4,278,243	-	4,278,243	5,064,960
Support costs		709,247	-	709,247	975,204
Total		13,293,999	-	13,293,999	18,091,177
NET INCOME/(EXPENDITURE)		(2,187,589)	-	(2,187,589)	(31,681)
Transfers between funds	21	43,993	(43,993)	-	-
Other recognised losses	22				
Actuarial losses on retirement benefit obligations		(1,191,000)	-	(1,191,000)	(1,015,000)
Net movement in funds		(3,334,596)	(43,993)	(3,378,589)	(1,046,681)
RECONCILIATION OF FUNDS					
Total funds brought forward		269,507	43,993	313,500	1,360,181
TOTAL FUNDS CARRIED FORWARD		(3,065,089)	-	(3,065,089)	313,500

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES
(REGISTERED COMPANY NUMBER: 04343347)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31ST MARCH 2021

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12	5,335,320	-	5,335,320	6,554,170
CURRENT ASSETS					
Stocks	14	24,284	-	24,284	23,797
Debtors	15	798,294	-	798,294	1,894,568
Cash at bank		<u>2,283,969</u>	-	<u>2,283,969</u>	<u>1,890,602</u>
		3,106,547	-	3,106,547	3,808,967
CREDITORS					
Amounts falling due within one year	16	<u>(4,220,780)</u>	-	<u>(4,220,780)</u>	<u>(3,937,462)</u>
NET CURRENT LIABILITIES		<u>(1,114,233)</u>	-	<u>(1,114,233)</u>	<u>(128,495)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,221,087	-	4,221,087	6,425,676
CREDITORS					
Amounts falling due after more than one year	17	<u>(4,847,176)</u>	-	<u>(4,847,176)</u>	<u>(4,847,176)</u>
RETIREMENT BENEFIT OBLIGATIONS	22	<u>(2,439,000)</u>	-	<u>(2,439,000)</u>	<u>(1,265,000)</u>
NET ASSETS/(LIABILITIES)		<u><u>(3,065,089)</u></u>	-	<u><u>(3,065,089)</u></u>	<u><u>313,500</u></u>

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES
(REGISTERED COMPANY NUMBER: 04343347)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
31ST MARCH 2021

		2021	2020
	Notes	£	£
FUNDS	21		
Unrestricted funds		(3,065,089)	269,507
Restricted funds		<u>-</u>	<u>43,993</u>
TOTAL FUNDS		<u><u>(3,065,089)</u></u>	<u><u>313,500</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on ~~25th NOVEMBER 2021~~ and were signed on its behalf by:


.....
C N Warne - Chairman

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES
(REGISTERED COMPANY NUMBER: 04343347)

CHARITY STATEMENT OF FINANCIAL POSITION
31ST MARCH 2021

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12	5,335,320	-	5,335,320	6,554,170
Investments	13	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		5,335,321	-	5,335,321	6,554,171
CURRENT ASSETS					
Stocks	14	24,284	-	24,284	23,797
Debtors	15	826,100	-	826,100	1,922,374
Cash at bank		<u>2,283,969</u>	<u>-</u>	<u>2,283,969</u>	<u>1,850,114</u>
		3,134,353	-	3,134,353	3,796,285
CREDITORS					
Amounts falling due within one year	16	<u>(4,220,780)</u>	<u>-</u>	<u>(4,220,780)</u>	<u>(3,937,460)</u>
NET CURRENT LIABILITIES		<u>(1,086,427)</u>	<u>-</u>	<u>(1,086,427)</u>	<u>(141,175)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,248,894	-	4,248,894	6,412,996
CREDITORS					
Amounts falling due after more than one year	17	<u>(4,847,176)</u>	<u>-</u>	<u>(4,847,176)</u>	<u>(4,847,176)</u>
RETIREMENT BENEFIT OBLIGATIONS	22	<u>(2,439,000)</u>	<u>-</u>	<u>(2,439,000)</u>	<u>(1,265,000)</u>
NET ASSETS/(LIABILITIES)		<u><u>(3,037,282)</u></u>	<u><u>-</u></u>	<u><u>(3,037,282)</u></u>	<u><u>300,820</u></u>

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES
(REGISTERED COMPANY NUMBER: 04343347)

CHARITY STATEMENT OF FINANCIAL POSITION - continued
31ST MARCH 2021

	2021	2020
	£	£
FUNDS		
Unrestricted funds	(3,037,282)	256,827
Restricted funds	<u>-</u>	<u>43,993</u>
TOTAL FUNDS	<u><u>(3,037,282)</u></u>	<u><u>300,820</u></u>
 Charity net movement in funds for the year	 <u><u>(3,378,589)</u></u>	 <u><u>(1,046,681)</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th November 2021 and were signed on its behalf by:


.....
C N Warne - Chairman

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2021**

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	794,394	1,004,148
Tax paid		<u>-</u>	<u>17</u>
Net cash provided by operating activities		<u>794,394</u>	<u>1,004,165</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(201,081)</u>	<u>(2,969,897)</u>
Net cash used in investing activities		<u>(201,081)</u>	<u>(2,969,897)</u>
Cash flows from financing activities			
Loan advances in year		-	1,657,176
Interest paid		<u>(199,946)</u>	<u>(101,156)</u>
Net cash used in financing activities		<u>(199,946)</u>	<u>1,556,020</u>
Change in cash and cash equivalents in the reporting period		393,367	(409,712)
Cash and cash equivalents at the beginning of the reporting period		<u>1,890,602</u>	<u>2,300,314</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,283,969</u></u>	<u><u>1,890,602</u></u>

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(2,187,589)	(31,681)
Adjustments for:		
Depreciation charges	1,419,931	1,132,258
Interest paid	199,946	101,156
(Increase)/decrease in stocks	(487)	31,754
Decrease in debtors	1,096,274	155,785
Increase/(decrease) in creditors	283,319	(450,124)
Difference between pension charge and cash contributions	(17,000)	65,000
Net cash provided by operations	<u>794,394</u>	<u>1,004,148</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank	<u>1,890,602</u>	<u>393,367</u>	<u>2,283,969</u>
Debt			
Debts falling due within 1 year	-	-	-
Debts falling due after 1 year	<u>(4,847,176)</u>	<u>-</u>	<u>(4,847,176)</u>
	<u>(4,847,176)</u>	<u>-</u>	<u>(4,847,176)</u>
Total	<u>(2,956,574)</u>	<u>393,367</u>	<u>(2,563,207)</u>

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

1. STATUTORY INFORMATION

InspireAll Leisure and Family Support Services is a company limited by guarantee and charity registered in England and Wales. The company and charity registered numbers and office address can be found within the reference and administrative details on page 1.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The consolidated and individual financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The consolidated and individual financial statements have been prepared under the historical cost convention.

The consolidated and individual financial statements have been prepared on a going concern basis.

In assessing the going concern position of the group and charity for the year ended 31st March 2021, the trustees have considered cashflows, liquidity and business activities. As at 31st March 2021, the group held cash reserves of £2.2 million which are available for general charitable purposes, including but not limited to funding new sites, working capital and future capital expenditure required to ensure that the facilities remain first class for users.

In making this assessment, the trustees have considered the impact of the COVID-19 pandemic on the cash flows and liquidity of the group over the coming 12 months. This assessment has taken account the current measures that have been put in place to preserve cash and reduce discretionary expenditure during the period when the company had to temporarily close its sites as a result of compliance with Government regulations combined with changing customer behaviour when using the facilities once re-opened. The financial modelling used by the company anticipates reduced membership and revenues as a direct result of COVID-19 in the coming 12 months. The trustees have also considered further Government actions and more longer term closures within this period and the downside to cashflows and liquidity as a result. These downsides have a severe impact on the group and charity EBITDA, far greater than would have been anticipated prior to the COVID-19 pandemic.

At these anticipated levels of EBITDA combined with the mitigating actions implemented by management, the trustees currently believe that they can maintain sufficient liquidity to continue to operate and sustain anticipated losses for the coming 12 months.

The trustees will fully utilise all available financial assistance that is available, including the government CJRS scheme combined with obtaining funding from the Arts Council and other equivalent and business rates exemptions. This has been anticipated within the forecasts and will help with stemming cash outflow as far as possible.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

2. ACCOUNTING POLICIES - continued

The trustees have concluded that the potential impact of COVID-19 described above combined with uncertainty over possible mitigation actions represents a material uncertainty that may cast doubt on the group and charity's ability to continue as a going concern. Nevertheless, having assessed the combination of these various options and the impact of any liquidity shortfall in the event of a sustained period of closures following the ongoing COVID-19 pandemic, the trustees have a reasonable expectation that the charity has adequate resources to continue to operate for a period of 12 months from the date of these financial statements. For these reasons, they continue to adopt a going concern basis for the preparation of the financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the charity were unable to continue as a going concern.

Basis of consolidation

The group consolidated financial statements include the financial statements of the charity and all of its subsidiary undertakings made up to 31st March 2021.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	- over the life of the lease
Plant and machinery	- 3-10 years on cost
Fixtures and fittings	- 3-5 years on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST MARCH 2021

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Operation of leisure facilities	3,739,895	11,414,985
Children's and family centres	5,109,976	5,246,745
	<u>8,849,871</u>	<u>16,661,730</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
Operation of leisure facilities	8,265,678	-	8,265,678
Children's and family centres	4,278,243	-	4,278,243
Support costs	-	709,247	709,247
	<u>12,543,921</u>	<u>709,247</u>	<u>13,253,168</u>

5. OTHER INCOME

	2021	2020
	£	£
Expected return on retirement benefit assets	210,000	226,000
Income from CJRS claims	1,982,125	-
	<u>2,192,125</u>	<u>226,000</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	7,643,279	9,232,726
Premises expenses	1,194,862	2,016,029
Repairs and maintenance	919,528	1,460,278
Depreciation	1,359,397	1,076,540
Other costs	1,426,855	2,723,531
	<u>12,543,921</u>	<u>16,509,104</u>

7. SUPPORT COSTS

	2021	2020
	£	£
Staff costs	485,903	735,927
Premises expenses	21,000	20,779
Repairs and maintenance	2,710	5,591
Depreciation	60,534	55,718
Other costs	139,100	157,189
	<u>709,247</u>	<u>975,204</u>

8. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	12,500	12,500
Fees payable to the charity's auditors for other financial services	<u>4,500</u>	<u>4,500</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the year ended 31st March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2021 nor for the year ended 31st March 2020.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	7,279,363	9,163,779
Social security costs	486,395	463,478
Other pension costs	363,424	341,396
	<u>8,129,182</u>	<u>9,968,653</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Leisure activities	419	561
Family support activities	195	170
Senior management and administration	18	18
	<u>632</u>	<u>749</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	1	1
£70,001 - £80,000	-	2
£80,001 - £90,000	-	1
£100,001 - £110,000	-	1
£120,001 - £130,000	1	-
	<u>2</u>	<u>5</u>

Key management remuneration

Total key management personnel remuneration (including benefits) was £125,078 (2020: £108,212).

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

11. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Charitable activities	16,661,730	-	16,661,730
Other trading activities	1,171,766	-	1,171,766
Other income	<u>226,000</u>	<u>-</u>	<u>226,000</u>
Total	18,059,496	-	18,059,496
EXPENDITURE ON			
Raising funds	606,869	-	606,869
Charitable activities			
Operation of leisure facilities	11,444,144	-	11,444,144
Children's and family centres	5,064,960	-	5,064,960
Support costs	<u>975,204</u>	<u>-</u>	<u>975,204</u>
Total	<u>18,091,177</u>	<u>-</u>	<u>18,091,177</u>
NET INCOME/(EXPENDITURE)	(31,681)	-	(31,681)
Other recognised losses			
Actuarial losses on retirement benefit obligations	<u>(1,015,000)</u>	<u>-</u>	<u>(1,015,000)</u>
Net movement in funds	(1,046,681)	-	(1,046,681)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,316,188	43,993	1,360,181
TOTAL FUNDS CARRIED FORWARD	<u><u>269,507</u></u>	<u><u>43,993</u></u>	<u><u>313,500</u></u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

12. TANGIBLE FIXED ASSETS

Group and charity

	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
Cost				
At 1st April 2020	818,464	8,689,210	178,271	9,685,945
Additions	-	124,989	76,092	201,081
At 31st March 2021	818,464	8,814,199	254,363	9,887,026
Depreciation				
At 1st April 2020	357,627	2,680,900	93,248	3,131,775
Charge for year	89,142	1,263,508	67,281	1,419,931
At 31st March 2021	446,769	3,944,408	160,529	4,551,706
Net book value				
At 31st March 2021	371,695	4,869,791	93,834	5,335,320
At 31st March 2020	460,837	6,008,310	85,023	6,554,170

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

13. FIXED ASSET INVESTMENTS

Charity

	Shares in group undertakings £
Cost	
At 1st April 2020 and 31st March 2021	<u>120,000</u>
Provisions	
At 1st April 2020 and 31st March 2021	<u>119,999</u>
Net book value	
At 31st March 2021	<u><u>1</u></u>
At 31st March 2020	<u><u>1</u></u>

There were no investment assets outside the UK.

The charity's investments at the balance sheet date in the share capital of companies include the following:

Herts Leisure Limited

Registered office: The Venue, Elstree Way, Borehamwood, Hertfordshire WD6 1JY

Nature of business: Non trading subsidiary undertaking

	%			
Class of share:	holding		2021	2020
Ordinary	100		£	£
Aggregate capital and reserves			<u><u>12,682</u></u>	<u><u>12,682</u></u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

14. STOCKS

Group and charity

	2021	2020
	£	£
Finished goods	<u>24,284</u>	<u>23,797</u>
	<u>24,284</u>	<u>23,797</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2021	2020
	£	£
Trade debtors	242,542	1,697,144
Amounts owed by connected undertakings	40,866	-
Other debtors	376,898	52,813
Prepayments and accrued income	<u>137,988</u>	<u>144,611</u>
	<u>798,294</u>	<u>1,894,568</u>

Charity

	2021	2020
	£	£
Trade debtors	242,542	1,697,144
Amounts owed by subsidiary undertakings	27,806	27,806
Amounts owed by connected undertakings	40,866	-
Other debtors	376,898	52,813
Prepayments and accrued income	<u>137,988</u>	<u>144,611</u>
	<u>826,100</u>	<u>1,922,374</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2021	2020
	£	£
Trade creditors	464,256	596,309
VAT	347,668	402,782
Other creditors	5,123	4,535
Accruals and deferred income	<u>3,403,733</u>	<u>2,933,836</u>
	<u>4,220,780</u>	<u>3,937,462</u>

Charity

	2021	2020
	£	£
Trade creditors	464,256	596,309
VAT	347,668	402,782
Other creditors	5,123	4,535
Accruals and deferred income	<u>3,403,733</u>	<u>2,933,834</u>
	<u>4,220,780</u>	<u>3,937,460</u>

Deferred income has been recognised to ensure that charitable income has been accounted for in the correct financial period.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and charity

	2021	2020
	£	£
Other loans	<u>4,847,176</u>	<u>4,847,176</u>
An analysis of the maturity of loans is given below:		
Amounts falling due between one and five years	2,262,354	1,080,403
Amounts falling in more than five years	2,584,822	3,766,733

The loans are secured by way of a fixed and floating charge over the assets of the group and charity.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

Group and charity

	2021	2020
	£	£
Within one year	148,410	139,337
Between one and five years	<u>271,565</u>	<u>419,974</u>
	<u>419,974</u>	<u>559,311</u>

19. CONTINGENT LIABILITIES

The group issued a performance bond of £100,000 to Milton Keynes Council on 1 November 2009 which is valid for 15 years in relation to the charitable company's contract with the Council. The charity has undertaken to reimburse RBS for any amount called under this guarantee and has given RBS a charge over a deposit totalling £50,000.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2021 (2020: none).

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

21. CONSOLIDATED MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement and transfers £	At 31.3.21 £
Unrestricted funds			
General fund	991,322	(2,645,045)	(1,653,723)
Family centres	508,282	480,091	988,373
96 Shenley Road	(19,275)	4,358	(14,917)
Bushey Community Centre	(66)	-	(66)
Herts sports	5,244	-	5,244
Retirement benefit obligations	(1,216,000)	(1,174,000)	(2,390,000)
	<u>269,507</u>	<u>(3,334,596)</u>	<u>(3,065,089)</u>
Restricted funds			
Children's centres	43,993	(43,993)	-
	<u>43,993</u>	<u>(43,993)</u>	<u>-</u>
TOTAL FUNDS	<u>313,500</u>	<u>(3,378,589)</u>	<u>(3,065,089)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,786,434	(8,475,472)	-	(2,689,038)
Family centres	4,758,334	(4,278,243)	-	480,091
96 Shenley Road	272,410	(268,052)	-	4,358
Bushey Community Centre	79,232	(79,232)	-	-
Retirement benefit obligations	210,000	(193,000)	(1,191,000)	(1,174,000)
	<u>11,006,410</u>	<u>(13,293,999)</u>	<u>(1,191,000)</u>	<u>(3,378,589)</u>
TOTAL FUNDS	<u>11,006,410</u>	<u>(13,293,999)</u>	<u>(1,191,000)</u>	<u>(3,378,589)</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

21. CONSOLIDATED MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement and transfers £	At 31.3.20 £
Unrestricted funds			
General fund	1,197,225	(205,903)	991,322
Family centres	294,825	213,457	508,282
96 Shenley Road	3,894	(23,169)	(19,275)
Bushey Community Centre	-	(66)	(66)
Herts sports	5,244	-	5,244
Retirement benefit obligations	(185,000)	(1,031,000)	(1,216,000)
	<u>1,316,188</u>	<u>(1,046,681)</u>	<u>269,507</u>
Restricted funds			
Children's centres	43,993	-	43,993
	<u>43,993</u>	<u>-</u>	<u>43,993</u>
TOTAL FUNDS	<u>1,360,181</u>	<u>(1,046,681)</u>	<u>313,500</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	12,564,073	(12,769,976)	-	(205,903)
Family centres	4,752,629	(4,539,172)	-	213,457
96 Shenley Road	433,977	(457,146)	-	(23,169)
Bushey Community Centre	82,817	(82,883)	-	(66)
Retirement benefit obligations	226,000	(242,000)	(1,015,000)	(1,031,000)
	<u>18,059,496</u>	<u>(18,091,177)</u>	<u>(1,015,000)</u>	<u>(1,046,681)</u>
TOTAL FUNDS	<u>18,059,496</u>	<u>(18,091,177)</u>	<u>(1,015,000)</u>	<u>(1,046,681)</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued FOR THE YEAR ENDED 31ST MARCH 2021

21. CONSOLIDATED MOVEMENT IN FUNDS - continued

The purpose of material designated and restricted funds is as follows:

SURE START CHILDREN'S CENTRES

These are now termed Family Centres under the new contract with Hertfordshire County Council, that started in October 2018 (see below).

FAMILY CENTRES

This is a 6 year contract from 1st October 2018 to oversee 50% of Hertfordshire County Council's Family Support Centres. Total funding received 2020/21 was £4,758,334 (2019/20: £4,779,893).

The core purpose of Family Centres:

The Government believes that Family Centres should have a clear core purpose, focused on improving outcomes for young children and their families, with a particular focus on the most disadvantaged families, in order to reduce inequalities in: -

- Child development and school readiness;
- Parenting aspirations, self esteem and parenting skills; and
- Child and family health and life chances.

HERTS SPORTS

Herts sports is the funding of a sports development officer for the Hertfordshire area. The officer coordinates programs to get people more active and to live healthier lifestyles.

96 SHENLEY ROAD

96 Shenley Road is managed by InspireAll on behalf of Hertfordshire County Council. The building is a multi-purpose facility including library, meeting rooms, performance facilities and cafe. Any surpluses are repayable to HCC and any deficits underwritten by HCC.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

22. RETIREMENT BENEFIT OBLIGATIONS

Defined benefit scheme

The group operates a defined benefit pension scheme.

The amounts recognised in the Statement of Financial Position are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(13,523,000)	(10,431,000)
Fair value of plan assets	<u>11,084,000</u>	<u>9,166,000</u>
	(2,439,000)	(1,265,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(2,439,000)</u>	<u>(1,265,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	95,000	193,000
Net interest from net defined benefit liability	29,000	5,000
Past service cost	<u>-</u>	<u>-</u>
	<u>124,000</u>	<u>198,000</u>
Actual return on plan assets	<u>1,763,000</u>	<u>(370,000)</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

22. RETIREMENT BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	10,431,000	9,630,000
Current service cost	95,000	193,000
Contributions by scheme participants	17,000	32,000
Interest cost	239,000	231,000
Actuarial losses	2,954,000	645,000
Benefits paid	<u>(213,000)</u>	<u>(300,000)</u>
	<u>13,523,000</u>	<u>10,431,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	9,166,000	9,445,000
Contributions by employer	141,000	133,000
Contributions by scheme participants	17,000	32,000
Expected return	210,000	226,000
Actuarial gains/(losses)	1,763,000	(370,000)
Benefits paid	<u>(213,000)</u>	<u>(300,000)</u>
	<u>11,084,000</u>	<u>9,166,000</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2021**

22. RETIREMENT BENEFIT OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial losses	<u>(1,191,000)</u>	<u>(1,015,000)</u>
	<u>(1,191,000)</u>	<u>(1,015,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
Equities	59%	48%
Bonds	26%	39%
Property	11%	8%
Cash	<u>4%</u>	<u>5%</u>
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2021	2020
Discount rate	2.00%	2.30%
Future salary increases	3.25%	2.30%
Future pension increases	2.85%	1.90%

Defined contribution scheme

The group operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £408,729 (2020: £194,985).