

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

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

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

	Page
Reference and administrative details	1
Report of the trustees	2 to 10
Report of the independent auditors	11 to 14
Statement of financial activities	15
Statement of financial position	16
Statement of cash flows	17
Notes to the statement of cash flows	18
Notes to the financial statements	19 to 33

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST MARCH 2022**

Trustees	C N Warne - Chairman M F Barnett (resigned 1/4/21) M Gibson A R Jacobson A J Keating K J O'Malley (resigned 1/4/21) 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

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022

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 2022. 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 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. A pricing policy is in place that aims to make the facilities accessible and affordable, yet generates sufficient surplus to allow investment in keeping facilities and equipment up-to-date.

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 HCC, 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.

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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2022**

Achievement and performance

Strategic Review of activities 2021-22

The financial year started with the majority of the facilities closed due to Covid-19 restrictions. There was then a staggered easing of restrictions until the summer and then a long recovery until early December 2021, when the Omicron variant of Covid caused a very difficult period over the winter months. Government funding during the year was limited to some small grants and furlough payments, claimable until September 2021.

By March 2022, InspireAll had returned to a sense of normality, though there were legacy issues caused by the pandemic that made the recovery more difficult than initially expected.

A key challenge was to control costs in line with customer demand, for example by closely monitoring the uptake of the various classes. As an example, uptake on indoor cycling classes was significantly below pre-Covid levels (many people perhaps having got used to doing classes online), so the timetable was restructured. Swimming, on the other hand, came back strongly, there being few alternatives to using a public pool and it perhaps being perceived as less risky from a Covid perspective.

The marketing activity helped to rebuild all areas of the facilities. A number of membership campaigns were created throughout the year, with key messages around safety, community, coming together and health over fitness. As a result, membership grew 18% over the twelve months.

Recruitment has proved to be one of the biggest challenges since reopening, hampering growth plans. For example, whilst the swim income has recovered strongly, it could have been even better but for a shortage of swim teachers.

Despite the turbulent year and financial challenges, InspireAll continued to provide services that underlined its charitable ethos, including:

- Offering free memberships to those being housed in YMCA accommodation in Milton Keynes, in order to encourage them to exercise, improve their mental health and confidence and find their feet again.
- Donating prizes of memberships and free swims/parties to local charities for their fund raising events within Hertsmere.
- Via our outdoor events team, supporting local organisations in running outdoor events and celebrations, either by providing staff and resources, donating/loaning equipment, or ensuring policies and procedures were accurate and sufficient. The team also supported the friends of the parks groups, HBC departments and the Bushey Festival.
- Easter Eggs, Movies, and Fun in the Parks all took place across the three key locations of Potters Bar, Borehamwood, and Bushey. Over 11,000 people attended these free events.
- The Health Hubs secured funding to deliver a new hub at Bushey Grove and to continue operating those at Wyllyotts and 96 Shenley Road. These supported the public throughout the period of Covid-19.
- Wyllyotts Theatre was used as a vaccination centre throughout and was also open for the blood transfusion service sessions when everything else was closed. Wyllyotts also provided a base for the hot meals service in the school holidays.
- Bushey Leisure Centre and Furzefield Leisure Centre were both mobile Covid testing sites.
- Free swimming sessions were provided for the Afghan refugees in temporary accommodation at Bushey Grove, in partnership with HCC.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2022**

Contract reviews

The strategy within each of the contracts was to:

- Remain Covid compliant against the rules set by the Government and national governing bodies.
- Reopen facilities as soon as permitted.
- Regrow attendances as quickly as possible.
- Maintain a tight control of costs.

The contract operations were supported by strong sales and marketing activity, with the focus in the early part of the year on rebuilding membership numbers. Messaging initially focused on reassuring customers that the facilities offered a safe environment. At the start of 2022, the marketing activity returned to a pre-pandemic normal, with a wide range of activities being promoted, including group fitness, swimming sessions, children's activities and holiday sessions.

Hertsmere Borough Council Contract

Attendances reached 808,055 for the year, around 12.5% down when compared to pre-pandemic levels. Particular success was achieved in the rapid growth of swimming lessons and sessions for older adults. Gym membership and attendances were slower to recover, with membership ending the year 29% below March 2020. Membership yield increased and helped lessen this impact.

Wyllyotts Theatre hosted a pantomime for a prudently shortened run and, despite Omicron causing difficulties across the industry, all shows proceeded without incident.

Funding has been agreed with HBC to continue to operate the Healthy Hubs in the three major towns in Hertsmere until March 2024.

Milton Keynes Council Contract

This Contract went through a significant period of change during 2021-22, with seven of the community sites being handed back to the local parishes in November 2021. This reduced InspireAll's long-term liabilities and will help make the contract more financially viable.

Work then started on improving the finances of the remaining sites. Grounds maintenance costs were reduced by 50% for the remaining sites, rental payments for the two main hirers at Tattenhoe Sports Pavilion increased to more realistic levels, whilst improvements were made in respect of the cleaning and maintenance regimes.

Capital investments were made at Bletchley Leisure Centre to ensure major Health and Safety works were completed, including Building Management System repairs and light replacements on the poolside with low voltage LED lights.

Activities that had not returned since lockdown were steadily reintroduced, including public swimming alongside lessons, children's parties, after-school clubs and holiday clubs. This phased approach ensured costs were controlled in line with income.

Attendance at swimming lessons and casual swim sessions returned to pre-pandemic levels, but memberships remained 22% behind 2019-20 figures.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

Hertfordshire County Council Contracts

96 Shenley Road continued to offer services through their partner organisations as permitted by the Covid guidance at the time, with the Library, Youth Services and Museum, all working together on their approach to support a return to normal working.

Community and events activities returned in the summer of 2021, with the public enjoying films in the park and fun days once again. Due to the outdoor nature of these activities attendances were high and the effort put into these was very well received.

All the facilities supported the roll-out of vaccinations and testing through the year, to support the NHS and the local council.

Family Support Services Contract

2021-22 was one of the toughest years that families living in Hertfordshire have faced. InspireAll's Family Support Services (FSS) team worked tirelessly to ensure that families were supported, despite the challenging operating environment, and continued to rapidly adapt the service in response to every evolving Covid restriction. As soon as practical, services returned to face-to-face delivery from Family Centres and community venues and when providing targeted family support in homes.

The year saw a change of commissioners and a consequent changed approach to reporting and monitoring. There was a more contractual approach, requiring more detailed action plans and report writing, with a move away from targeted services towards more universal services. The FSS team embraced the changes and ensured all actions were completed on time and to an exceptional standard, which has helped to build a good rapport and trust with the new commissioners.

The Family Centres secured additional funding from HCC to provide a number of additional services for families. These services included the provision of parent drop-in sessions, known as Parent Cafes, which are aimed at parents who are pregnant, or who have had babies during the pandemic. The Parent Cafes have given families opportunities to meet the FSS team, register with the service and understand what is on offer, as well as meet other parents. Since October 2021, over 900 families have accessed Parent Cafes across West and South Hertfordshire. A second round of funding has enabled the expansion of the universal and learning sessions, which have been well attended and positively evaluated by local families.

Improvements were made to the IT infrastructure and systems, facilitating more mobile working and faster, more efficient operations at the more remote facilities.

Other activities

Human Resources (HR) & Payroll

A new HR & Payroll system went live in March 2022. This will enable closer monitoring of time and attendance, give better management reports and reduce manual input time and human error.

Like most leisure and hospitality companies, InspireAll have struggled to fill vacancies on a regular basis, which has led to staff shortages at most sites. In order to try and overcome these issues, the HR team have been working with service providers on a range of actions to attract and retain candidates, including reviewing our processes, making better use of social media and using government initiatives such as the KickStart Scheme.

The employee benefits package has also been enhanced, allowing employees to use the facilities for free and implementing an Employee Assistance Programme, a health cash plan and a retail discount scheme.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022

Facilities management

The focus of the facilities team throughout 2021-22 was to:

- Ensure Covid compliance.
- Reduce energy costs by utilising technology and sharing best practice.
- Restart the audit programme.
- Look at reducing the carbon footprint and improving sustainability across the organisation.

The introduction of Combined Heat and Power Units at Bletchley, Furze field and Bushey Grove leisure centres has delivered significant utility cost savings and also a marked reduction in the carbon footprint of the facilities.

All sites were issued with best practice guidance on how to reduce utility costs, contributing to the drop in consumption.

These measures helped to mitigate the significant increase in gas and electricity prices. Regrettably, this increase was made worse by InspireAll's energy brokers performing poorly, missing the opportunity to purchase power and gas whilst the prices were at their lowest.

Financial position

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

Total income, before interest on the Defined Benefit Pension Scheme (DBPS) and the funding received from the Coronavirus Job Retention Scheme, was £15,428,555 (2021: £8,914,285). The surplus for the financial year, before the pension adjustment, was £77,982 (2021: £2,187,589 deficit).

The pension adjustment was a positive movement of £1,949,000 (2021: £1,191,000 negative adjustment), which resulted in a positive net movement in funds of £1,852,000 (2021: £1,174,000 negative movement).

Principal funding sources

In the leisure sector, the main source of income derives from the individual customers that are attracted to use the facilities, in competition with other fitness and leisure operators. Membership income derived from the gym, fitness classes, swimming lessons and other swimming activities are the key income sources.

Exceptional income was received in the financial year for continued support following the pandemic, including Arts and Cultural funding for Wyllotts Theatre, National Leisure Recovery Fund and Restart grants.

MKC paid an annual management fee for the day-to-day running of several community facilities.

The Family Support Services business is wholly funded by HCC Management Fee, under a six-year contract which was 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2022**

Reserves policy

At the end of the financial year, the Trust held negative unrestricted reserves (excluding retirement benefit obligations) of £451,107 (2021: £626,089) and a cash balance of £4,009,679 (2021: £2,283,969). The current deficit position is a direct impact of the 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 reserve fund of between £500K and £1m moving forward.

The DBPS 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 Trust 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

Whilst swimming has returned to pre-Covid levels (indeed, there is demand that cannot be met, due to a dearth of swim teachers) many other activities have yet to recover fully. The principal uncertainty, therefore, surrounds the ability to successfully grow and service the demand.

Part of the challenge is the ability to recruit and retain sufficient high quality staff. There are two issues: Finding suitable candidates, and being able to offer rates of pay that are attractive to attract and retain the best teachers. Many InspireAll teachers have left to work for competitors who offer higher pay rates, thus compounding the problem.

The FSS income stream is contractually secure, although the range and standard of service that the contract requires must, of course, be maintained.

Future plans

The focus is very much on trying to improve what is already managed and, at the very least, return the business to pre-Covid levels of activity. This includes addressing the underperformance of specific areas, such as catering, the climbing facility and the two health spas.

Having undertaken a significant investment program pre-Covid, there is limited need to invest in enhancing facilities over the next few years, though maintenance issues are growing in importance as the buildings age. However, the gym at The Venue will be completely refurbished and re-equipped in the summer of 2022, to cope with competition from a new gym opening in the town, and the opportunity taken to resolve the long-standing problems with the air-conditioning in the building.

It will also be timely to review our working relationship with Stevenage Leisure Ltd (SLL). InspireAll and SLL share a senior management team, which has proved particularly beneficial in the areas of IT, HR and Health & Safety, but it would be appropriate to review how this relationship might evolve in the future, not least with SLL having to re-tender two significant contracts before the end of 2022.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022

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") 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 six.

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 provides a handy guide to the business and Trustees' responsibilities.

Organisational structure and decision making

The Board of Trustees meets at least quarterly 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
Natalie Palmer	Head of Finance
Liz Applin	Head of Family Centres
Lee Medlock	Head of Operations
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, HR, and more recently Sales and Marketing committees. These committees allow Trustees with relevant experience to engage proactively with the business.

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

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022

None of the three Local Authorities presently served by InspireAll (HBC, MKC and HCC) nominate people for consideration by the Trustees.

Cooperation with other organisations

InspireAll operates independently, but occupies buildings owned by HBC, MKC, and HCC

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

InspireAll and Stevenage Leisure Limited (SLL) have pooled their head office functions in order to achieve economies of scale and improved support.

Risk management

The Board and the Finance & Development Committee review monthly management accounts, re-forecasts and Key Performance Indicators at each meeting. The Trust's Risk Register is formally reviewed at Board level and updated accordingly.

Events since the end of the year

On a positive note, trading has continued to recover, albeit slowly. The gym refurbishment at The Venue was delivered on time and budget and is delivering some uplift, despite the increased competition locally. Repayment of the HBC loan commenced on schedule. On a negative note, recruitment has continued to prove difficult and high inflation poses a new challenge. Meanwhile, a recession is widely predicted, from which the leisure sector cannot expect to be immune.

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 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 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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2022**

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 *31 December 2022* and signed on the Board's behalf by:


.....
C N Warne – Chair

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

Opinion

We have audited the financial statements of InspireAll Leisure and Family Support Services (the 'charitable company') for the year ended 31st March 2022 which comprise the Statement of financial activities, the Statement of financial position, the Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

**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 financial statements and our Report of the independent auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 its environment obtained in the course of the audit, we have not identified material misstatements in the 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.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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.

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 the controls that 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.
- 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.

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

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: 2nd December 2022

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2022**

	Notes	Unrestricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM				
Income from charitable activities	3	14,868,712	14,868,712	8,849,871
Retail income	4	559,843	559,843	64,414
Other income	5	361,680	361,680	2,192,125
Total		15,790,235	15,790,235	11,106,410
EXPENDITURE ON				
Goods for resale		283,274	283,274	40,831
Charitable activities	6			
Operation of leisure facilities		10,170,843	10,170,843	8,265,678
Children's and family centres		4,379,351	4,379,351	4,278,243
Support costs		878,785	878,785	709,247
Total		15,712,253	15,712,253	13,293,999
NET INCOME/(EXPENDITURE)		77,982	77,982	(2,187,589)
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes		1,949,000	1,949,000	(1,191,000)
Net movement in funds		2,026,982	2,026,982	(3,378,589)
RECONCILIATION OF FUNDS				
Total funds brought forward		(3,065,089)	(3,065,089)	313,500
TOTAL FUNDS CARRIED FORWARD		(1,038,107)	(1,038,107)	(3,065,089)

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31st MARCH 2022

	Notes	Unrestricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS				
Tangible assets	13	4,333,962	4,333,962	5,335,320
Investments	14		-	1
		<u>4,333,962</u>	<u>4,333,962</u>	<u>5,335,321</u>
CURRENT ASSETS				
Stocks	15	44,415	44,415	24,284
Debtors	16	556,626	556,626	798,294
Cash at bank		<u>4,009,679</u>	<u>4,009,679</u>	<u>2,283,969</u>
		<u>4,610,720</u>	<u>4,610,720</u>	<u>3,106,547</u>
CREDITORS				
Amounts falling due within one year	17	(5,076,613)	(5,076,613)	(4,220,781)
		<u>(465,893)</u>	<u>(465,893)</u>	<u>(1,114,234)</u>
NET CURRENT ASSETS				
		<u>3,868,069</u>	<u>3,868,069</u>	<u>4,221,087</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
CREDITORS				
Amounts falling due after more than one year	18	(4,319,176)	(4,319,176)	(4,847,176)
PENSION LIABILITY	21	(587,000)	(587,000)	(2,439,000)
		<u>(1,038,107)</u>	<u>(1,038,107)</u>	<u>(3,065,089)</u>
NET ASSETS				
FUNDS	20			
Unrestricted funds			<u>(1,038,107)</u>	<u>(3,065,089)</u>
TOTAL FUNDS			<u>(1,038,107)</u>	<u>(3,065,089)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on *for December 2022* and were signed on its behalf by:


.....
C N Warne - Trustee

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,946,568</u>	<u>594,448</u>
Net cash provided by operating activities		<u>1,946,568</u>	<u>594,448</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(220,858)</u>	<u>(201,081)</u>
Net cash used in investing activities		<u>(220,858)</u>	<u>(201,081)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		1,725,710	393,367
Cash and cash equivalents at the beginning of the reporting period		<u>2,283,969</u>	<u>1,890,602</u>
Cash and cash equivalents at the end of the reporting period		<u><u>4,009,679</u></u>	<u><u>2,283,969</u></u>

The notes form part of these financial statements

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MARCH 2022**

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

	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of financial activities)	77,982	(2,187,589)
Adjustments for:		
Depreciation charges	1,222,216	1,419,931
Impairment	1	-
Increase in stocks	(20,131)	(487)
Decrease in debtors	241,668	1,096,274
Increase in creditors	327,832	283,319
Difference between pension charge and cash contributions	<u>97,000</u>	<u>(17,000)</u>
Net cash provided by operations	<u>1,946,568</u>	<u>594,448</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank	<u>2,283,969</u>	<u>1,725,710</u>	<u>4,009,679</u>
	<u>2,283,969</u>	<u>1,725,710</u>	<u>4,009,679</u>
Debt			
Debts falling due within 1 year	-	(528,000)	(528,000)
Debts falling due after 1 year	<u>(4,847,176)</u>	<u>528,000</u>	<u>(4,319,176)</u>
	<u>(4,847,176)</u>	<u>-</u>	<u>(4,847,176)</u>
Total	<u>(2,563,207)</u>	<u>1,725,710</u>	<u>(837,497)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2022

1. STATUTORY INFORMATION

InspireAll Leisure and Family Support Services is a private company limited by guarantee, registered in England and Wales, as well as being a charity registered in the same jurisdiction. The charity's 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 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 financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

In assessing the going concern position of the charity for the year ended 31st March 2022, the trustees have considered cashflows, liquidity and business activities. As at 31st March 2022, the charity held cash reserves of £4.0 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 cash flows and liquidity of the charitable 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.

Based on 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 within the existing facilities for the coming 12 months.

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.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

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

Fund accounting

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

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

3. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Operation of leisure facilities	10,143,853	3,739,895
Children's and family centres	<u>4,724,859</u>	<u>5,109,976</u>
	<u>14,868,712</u>	<u>8,849,871</u>

4. RETAIL INCOME

	2022	2021
	£	£
Secondary sales	<u>559,843</u>	<u>64,414</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

5. OTHER INCOME

	2022	2021
	£	£
Expected return on retirement benefit assets	220,000	210,000
Income from CJRS claims	141,680	<u>1,982,125</u>
	<u>361,680</u>	<u>2,192,125</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Operation of leisure facilities	10,170,843	-	10,170,843
Children's and family centres	4,379,351	-	4,379,351
Support costs	-	878,785	878,785
	<u>14,550,194</u>	<u>878,785</u>	<u>15,428,979</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	8,200,150	7,836,279
Premises expenses	2,123,999	1,194,862
Repairs and maintenance	1,288,464	919,528
Other costs	1,787,316	1,233,855
Depreciation	<u>1,150,265</u>	<u>1,359,397</u>
	<u>14,550,194</u>	<u>12,543,921</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

8. SUPPORT COSTS

	2022	2021
	£	£
Staff costs	562,245	485,903
Premises expenses	21,000	21,000
Repairs and maintenance	549	2,710
Other costs	223,040	139,100
Depreciation	<u>71,951</u>	<u>60,534</u>
	<u>878,785</u>	<u>709,247</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	1,222,216	1,419,931
Auditors' remuneration - audit services	12,500	12,500
Auditors' remuneration - other services	<u>2,000</u>	<u>2,000</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	7,610,500	7,337,586
Social security costs	483,146	477,867
Other pension costs	668,749	506,729
	<u>8,762,395</u>	<u>8,322,182</u>

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

	2022	2021
Leisure activities	368	419
Family support activities	188	195
Senior management and administration	<u>21</u>	<u>18</u>
	<u>577</u>	<u>632</u>

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

	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£120,001 - £130,000	<u>-</u>	<u>1</u>
	<u>2</u>	<u>2</u>

Key management remuneration

Total key management personnel remuneration (including benefits) was £74,719 (2021: £125,078).

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Income from charitable activities	8,849,871	-	8,849,871
Retail income	64,414	-	64,414
Other income	<u>2,192,125</u>	<u>-</u>	<u>2,192,125</u>
Total	<u>11,106,410</u>	<u>-</u>	<u>11,106,410</u>
 EXPENDITURE ON			
Goods for resale	40,831	-	40,831
Charitable activities			
Operation of leisure facilities	8,265,678	-	8,265,678
Children's and family centres	4,278,243	-	4,278,243
Support costs	<u>709,247</u>	<u>-</u>	<u>709,247</u>
Total	<u>13,293,999</u>	<u>-</u>	<u>13,293,999</u>
 NET INCOME/(EXPENDITURE)	(2,187,589)	-	(2,187,589)
Transfers between funds	43,993	(43,993)	-
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	<u>(1,191,000)</u>	<u>-</u>	<u>(1,191,000)</u>
Net movement in funds	(3,334,596)	(43,993)	(3,378,589)
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>269,507</u>	<u>43,993</u>	<u>313,500</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>(3,065,089)</u></u>	<u><u>-</u></u>	<u><u>(3,065,089)</u></u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
Cost				
At 1st April 2021	818,464	8,814,199	254,363	9,887,026
Additions	<u>22,341</u>	<u>148,092</u>	<u>50,425</u>	<u>220,858</u>
At 31st March 2022	<u>840,805</u>	<u>8,962,291</u>	<u>304,788</u>	<u>10,107,884</u>
Depreciation				
At 1st April 2021	446,769	3,944,408	160,529	4,551,706
Charge for year	<u>88,090</u>	<u>1,044,090</u>	<u>90,036</u>	<u>1,222,216</u>
At 31st March 2022	<u>534,859</u>	<u>4,988,498</u>	<u>250,565</u>	<u>5,773,922</u>
Net book value				
At 31st March 2022	<u>305,946</u>	<u>3,973,793</u>	<u>54,223</u>	<u>4,333,962</u>
At 31st March 2021	<u>371,695</u>	<u>4,869,791</u>	<u>93,834</u>	<u>5,335,320</u>

14. FIXED ASSET INVESTMENTS

At the commencement of the year, the investment in Herts Leisure Limited had previously been impaired to £1. During the year, a further impairment was recognised by the charity reducing the net book value of the investment to £Nil.

There were no investment assets outside the UK.

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

15. STOCKS

	2022	2021
	£	£
Finished goods	<u>44,415</u>	<u>24,284</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	237,252	283,408
Other debtors	37,281	376,898
Prepayments and accrued income	<u>282,093</u>	<u>137,988</u>
	<u>556,626</u>	<u>798,294</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other loans (see note 18)	528,000	-
Trade creditors	716,334	464,256
VAT	368,197	347,668
Other creditors	5,953	5,124
Accruals and deferred income	<u>3,458,129</u>	<u>3,403,733</u>
	<u>5,076,613</u>	<u>4,220,781</u>

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

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

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

	2022	2021
	£	£
Other loans (see below)	<u>4,319,176</u>	<u>4,847,176</u>

Included within creditors falling due within one year and creditors falling due after more than one year are loans.

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>528,000</u>	<u>-</u>
Amounts falling between one and two years:		
Other loans	<u>543,887</u>	<u>528,072</u>
Amounts falling due between two and five years:		
Other loans	<u>1,804,386</u>	<u>1,734,282</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans	<u>1,970,903</u>	<u>2,584,822</u>

Included in secured creditors is £4,847,176 (2021: £4,847,176).

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

19. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	<u>148,410</u>	<u>148,410</u>
Between one and five years	<u>123,155</u>	<u>271,565</u>
	<u>271,565</u>	<u>419,975</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

20. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	(1,604,723)	(30,879)	(1,635,602)
Family centres	988,373	214,400	1,202,773
96 Shenley Road	(14,917)	-	(14,917)
Bushey Community Centre	(66)	(11,024)	(11,090)
Herts sports	5,244	2,485	7,729
Retirement benefit obligations	<u>(2,439,000)</u>	<u>1,852,000</u>	<u>(587,000)</u>
	<u>(3,065,089)</u>	<u>2,026,982</u>	<u>(1,038,107)</u>
TOTAL FUNDS	<u><u>(3,065,089)</u></u>	<u><u>2,026,982</u></u>	<u><u>(1,038,107)</u></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	10,379,452	(10,410,331)	-	(30,879)
Family centres	4,722,760	(4,508,360)	-	214,400
96 Shenley Road	341,631	(341,631)	-	-
Bushey Community Centre	81,659	(92,683)	-	(11,024)
Herts sports	44,733	(42,248)	-	2,485
Retirement benefit obligations	<u>220,000</u>	<u>(317,000)</u>	<u>1,949,000</u>	<u>1,852,000</u>
	<u>15,790,235</u>	<u>(15,712,253)</u>	<u>1,949,000</u>	<u>2,026,982</u>
TOTAL FUNDS	<u><u>15,790,235</u></u>	<u><u>(15,712,253)</u></u>	<u><u>1,949,000</u></u>	<u><u>2,026,982</u></u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	1,040,322	(2,689,038)	43,993	(1,604,723)
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	<u>(1,265,000)</u>	<u>(1,174,000)</u>	<u>-</u>	<u>(2,439,000)</u>
	269,507	(3,378,589)	43,993	(3,065,089)
Restricted funds				
Children's centres	43,993	-	(43,993)	-
	<u>313,500</u>	<u>(3,378,589)</u>	<u>-</u>	<u>(3,065,089)</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	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	<u>210,000</u>	<u>(193,000)</u>	<u>(1,191,000)</u>	<u>(1,174,000)</u>
	<u>11,106,410</u>	<u>(13,293,999)</u>	<u>(1,191,000)</u>	<u>(3,378,589)</u>
TOTAL FUNDS	<u>11,106,410</u>	<u>(13,293,999)</u>	<u>(1,191,000)</u>	<u>(3,378,589)</u>

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).

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31st MARCH 2022

20. MOVEMENT IN FUNDS - continued

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 2021/22 was £4,724,859 (2020/21: £4,758,334).

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.

21. EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined benefit pension scheme.

The amounts recognised in the Statement of financial position are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Present value of funded obligations	(11,823,000)	(13,523,000)
Fair value of plan assets	11,236,000	11,084,000
	(587,000)	(2,439,000)
Present value of unfunded obligations	-	-
Deficit	(587,000)	(2,439,000)
Net liability	(587,000)	(2,439,000)

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Statement of financial activities are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Current service cost	128,000	95,000
Net interest from net defined benefit asset/liability	49,000	29,000
Past service cost	<u>-</u>	<u>-</u>
	<u>177,000</u>	<u>124,000</u>
 Actual return on plan assets	 <u>305,000</u>	 <u>1,973,000</u>

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

	Defined benefit pension plans	
	2022	2021
	£	£
Opening defined benefit obligation	13,523,000	10,431,000
Current service cost	128,000	95,000
Contributions by scheme participants	17,000	17,000
Interest cost	269,000	239,000
Actuarial losses/(gains)	(1,864,000)	2,954,000
Benefits paid	<u>(250,000)</u>	<u>(213,000)</u>
	<u>11,823,000</u>	<u>13,523,000</u>

INSPIREALL LEISURE AND FAMILY SUPPORT SERVICES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022**

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2022	2021
	£	£
Opening fair value of scheme assets	11,084,000	9,166,000
Contributions by employer	80,000	141,000
Contributions by scheme participants	17,000	17,000
Expected return	220,000	210,000
Actuarial gains/(losses)	85,000	1,763,000
Benefits paid	(250,000)	(213,000)
	<u>11,236,000</u>	<u>11,084,000</u>

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

	Defined benefit pension plans	
	2022	2021
	£	£
Actuarial gains/(losses)	<u>1,949,000</u>	<u>(1,191,000)</u>
	<u>1,949,000</u>	<u>(1,191,000)</u>

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

	Defined benefit pension plans	
	2022	2021
Equities	55%	59%
Bonds	25%	26%
Property	13%	11%
Cash	<u>7%</u>	<u>4%</u>
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2022	2021
Discount rate	2.70%	2.00%
Future salary increases	3.50%	3.25%
Future pension increases	3.10%	2.85%

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31st MARCH 2022

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

Defined contribution scheme

The charity operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds and amounted to £351,749 (2021: £313,729).

22. CONTINGENT LIABILITIES

The charity 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.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2022 (2021: none).