

**INSPIRE SOUTH TYNESIDE
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Charity Number: 1167813

DEBÉRE LIMITED
Chartered Accountants
Swallow House
Parsons Road
Washington
Tyne and Wear
NE37 1EZ

INSPIRE SOUTH TYNESIDE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

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INSPIRE SOUTH TYNESIDE
MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2021

Reference and Administrative Information

Trustees

Board of Inspire South Tyneside from April 2020:

Rebecca Maw (Chair)	Stella Mathewson Mission to Seafarers
Ian Dougall (Vice Chair)	Bill Scott MHM
Susan Gill (Treasurer)	Tina Roche

Registered Office

John Hunt House
27 Beach Road
South Shields
Tyne and Wear
NE33 2QA

Key Management Personnel

Debbie Carr (Business Manager)

Independent Examiner

Debère Limited
Chartered Accountants
Swallow House
Parsons Road
Washington
Tyne & Wear
NE37 1EZ

Bankers

Barclays Bank plc
49-51 Northumberland Street
Newcastle upon Tyne
Tyne & Wear
NE1 7AF

Solicitors

PGS Law
Coronation Chambers
10 Coronation Street
South Shields
Tyne and Wear
NE33 1AZ

INSPIRE SOUTH TYNESIDE
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2021

The trustees, who are the directors of the organisation for the purpose of Company Law, present their annual Trustees' report together with the charity's financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)".

Introduction

The following information about the financial period 2020/21 is presented in the format required by the Charity Commission.

Inspire South Tyneside's vision

We will support the development of a strong, vibrant, and thriving sector and community in South Tyneside. Through our support, we aim to make South Tyneside a better place for all.

Inspire South Tyneside's purpose is to provide a range of information, advice, training and support for local voluntary organisations and community groups.

Structure, Governance and Management

Constitution

The charity is an infrastructure organisation, which is a public benefit entity established to promote charitable purposes for the benefit of the community in the Local Government District of South Tyneside and surrounding area and in particular:

- i) the advancement of education through the provision of information, advice and training,
- ii) the protection of health, the relief of poverty, sickness and distress and the promotion of social welfare by the provision of quality services and support,
- iii) to encourage and support organisations and individuals to achieve their potential by promoting the benefits of volunteering,
- iv) to encourage community spirit and partnership working for the benefit of the whole community,
- v) to promote community involvement in decision-making and to develop services and activities appropriate to the needs of members.

Governing document

The charity is governed by its constitution established in January 2016, amended on 26 April 2017, and adopted in April 2019.

Method of appointment or election of the trustees

The method of appointment and election of the trustees is fully detailed in the Inspire South Tyneside's Constitution.

INSPIRE SOUTH TYNESIDE

REPORT OF THE TRUSTEES *(continued)*

YEAR ENDED 31 MARCH 2021

Policies adopted for the induction and training of trustees

Training and induction are available for all new trustees. During the induction process, they are informed as to their duties and responsibilities. Any request from a trustee for training is considered by the Board of Inspire South Tyneside.

Organisational structure and decision making

The members of the Board of Inspire South Tyneside are the trustees of the charity and have overall responsibility as employers of the staff, ensuring financial stability, health and safety, organisational policy and strategic direction.

Key personnel

Operational responsibility for the management of the organisation is delegated to the Business Manager. The staffing structure consists of:

- Chief Executive Officer
- Business Manager
- Development Worker Funding and Governance
- Development Worker Networks and Partnerships
- Resources and Administrative Support

Pay policy for staff

The Board of Inspire South Tyneside are responsible for setting remuneration for the organisation's staff. The organisation has introduced a robust annual appraisal process that monitors past performance and sets the forthcoming year's key performance indicators that will run in line with the local authority's service level agreement and contribute to the business plan.

Objectives and activities/ Policies and Objectives

The primary objective of the new charity is to provide a range of information, advice, training and support for local voluntary organisations and community groups.

During 2020/21 the charity continued to implement its new strategy under the following four key areas:

- Volunteering
- Supporting and Developing the Sector
- Representing and Influencing
- Networking and Innovating

What is Inspire South Tyneside

An infrastructure organisation that supports, facilitates, gives guidance, and represents the Voluntary and Community Sector in South Tyneside.

On 1 April 2019 the staff and capital assets were transferred from IST to Inspire South Tyneside, a Charitable Incorporated Organisation. IST has been formally wound up.

INSPIRE SOUTH TYNESIDE

REPORT OF THE TRUSTEES *(continued)*

YEAR ENDED 31 MARCH 2021

Our vision for South Tyneside

Our vision for Inspire is to offer support, advice, acting as a strategic reference point for the sector and the borough, as well as representing the views of the sector at strategic bodies and groups. Inspire South Tyneside will facilitate the development of a vibrant, strong, and sustainable local third sector that will work in collaboration with partners to ensure the best outcomes for residents of the borough.

How we will do this

- Continue development of the VCSE strategy
- Facilitating collaborative working
- Providing funding and governance support and guidance
- Increasing accessible opportunities for volunteering
- Representing the sector at a local and Regional level
- Supporting South Tyneside's already vibrant VCSE sector to become stronger, more sustainable and build on its already admirable track record for innovation
- We will deliver our vision in an honest and open manner, working to identify need with the agencies, organisations, and people that make up our community
- We aim to build both our profile and reputation through the provision of high-quality support mechanisms, based on the need of the users
- We strongly believe that organisations will meet their own day-to-day development and support needs and that we will be there for those needs that cannot be met without external support
- Our strategy will support the facilitation of partnerships, collaboration, and networks in order to strengthen the strategic positioning of the sector and the communities of South Tyneside

Our principles and values

We believe that our people are our greatest asset. We will support and encourage them to fulfil their potential and be the best they can be. We acknowledge each other's skills, abilities, knowledge and experience and celebrate each other's achievements. We believe that rights are accompanied by responsibilities and everyone is responsible for the consequences of their own actions. We aim to inspire by example. We share best practice and learn from each other. We conduct ourselves with honesty and integrity and maintain the highest professional standards in our dealings with others.

We have set our strategic and operational direction in line with our values and principles. We will:

- Build strength through partnerships and collaboration
- Build relationships through openness, honesty and transparency
- Recognise our most valuable resources are our people and our users
- Design and deliver services with innovation and integrity
- Inspire and encourage innovation in our users
- Influence change and increase civic pride
- Improve our community for future generations

INSPIRE SOUTH TYNESIDE

REPORT OF THE TRUSTEES *(continued)*

YEAR ENDED 31 MARCH 2021

Activities for Achieving objectives

To achieve the above objectives, the charity uses the following areas of work to support the above:

- Continue its honest and open approach to its role
- Increase the profile of Inspire South Tyneside
- Provision targeted support and development services
- Provision of quality, targeted information
- Provision of a vibrant volunteer centre
- Provision of a marketplace for the local sector
- Provision of the networks to increase the voice of the local sector
- Support the development of the partnerships and consortia

Volunteers

The charity places great value on the contribution that volunteers make to the organisation. Our local community volunteers are a valued support mechanism that enhance the running of the charity. The charity supports the development of volunteer skills. This year we have had to change our way of working due to covid. As a result, we closed our building, and moved to virtual meetings. The volunteer roles have been on hold. In the future we will bring back three to the office to support the reception office, admin and volunteer centre, and meetings.

Over the course of the year, we have benefitted greatly from the considerable time, energy and expertise given by the board of trustees.

The charity will continue to provide the following:

- Volunteer recruitment
- Volunteer training, mentoring and coordination
- Maintain a volunteering quality standard
- Volunteering opportunity bank
- Volunteer brokerage within following sectors;
 - Health and Social Care
 - Housing
 - Area Management (environment and parks)
 - Friends of groups
 - Uniformed services
 - Voluntary Organisations

Organisation strategic report

We will continue to support the development of a strong, vibrant, and thriving voluntary sector and the community in South Tyneside. Through our support, we aim to make South Tyneside a better place.

INSPIRE SOUTH TYNESIDE
REPORT OF THE TRUSTEES *(continued)*
YEAR ENDED 31 MARCH 2021

Organisation strategic report continued

Our Strategic priorities are as follows:

- We will deliver a vibrant volunteer service
- We will provide a high-quality support and development service
- We will provide support and opportunities for the sector and communities to increase their involvement and collaboration with each other and stakeholders
- We will facilitate the sector and communities to develop partnerships, collaboration, and consortia to maximise opportunities for funding
- We will promote and raise the profile of the sector
- We will maximise the ability of IST to share information and to communicate with our users, via:
 - a. FundingNet – Funding and governance advice and support, funding workshops and forums.
 - b. HealthNet – Collective voice to debate, influence and help shape health and wellbeing.
 - c. Volunteer and CommunityNet – Celebration events, creation of a volunteer passport, promote volunteering, facilitate the volunteer coordinators.
 - d. DigiNet – A cross sector network supporting digital inclusion across South Tyneside.

Achievements and performance of Grant Support

Each funder has set targets for the service they fund, and these are specified in the contract or Service Level Agreement. Monitoring is carried out and the trustees receive regular reports on how each service is performing against the KPI's or Service Specifications.

Review of Activities

All activities undertaken during the year are in line with the organisation's charitable objects and are detailed more fully in the main body of the Annual Report.

Inspire South Tyneside has continued to fulfil its core services of advice, information and support in a variety of ways.

Going concern

The trustees of Inspire South Tyneside continue to work with local partners and main stakeholders to maintain the organisations development.

The organisations financial principles and strategies have enabled it to become more resilient, as well as re-establishing its cash reserves.

Financial Review

The Principal funding source for the year was as follows:

- South Tyneside Council

Funding received from South Tyneside Council allowed Inspire South Tyneside to provide advice, information and practical assistance to the voluntary and community groups, and a Volunteer Centre service in South Tyneside.

Grants awarded in 2020/21

Winter resilience fund of £21,000 awarded to large and small charities across South Tyneside supporting mental and physical health and wellbeing.

INSPIRE SOUTH TYNESIDE

REPORT OF THE TRUSTEES *(continued)*

YEAR ENDED 31 MARCH 2021

Financial Review continued

DCMS Community Foundation grant of £8,900 to support online workshops for small local charities working through the Covid 19 crisis.

NHS Peer Pals award of £34,000 to deliver two test beds for the concept of Peer Pals (lived experience) focusing on long term conditions. The funding also supports the creation of a Peer Pals Network for South Tyneside ensuring system wide learning of the value of lived experience.

VCSEP grant of £3,000 in recognition of support given by Inspire South Tyneside to the VCSEP.

Inspire South Tyneside recorded a surplus on unrestricted funds for the year of £22,471 (2020: £13,197) and a surplus on restricted funds of £29,898 (2020: £3,404 deficit).

Reserves Policy

At 31 March 2021 Inspire South Tyneside holds an unrestricted surplus of £118,097 (2020: £95,626) (£16,458 (2020: £nil) of which are designated funds) and a restricted surplus of £275,129 (2020: £245,231). The charity has free reserves of £101,639 (2020: £95,626).

Financial risk management objectives and policies

Major risks to which the charity is exposed, as identified by the Board of Inspire South Tyneside, have been reviewed and systems, policies and processes have been established to mitigate or reduce these risks.

Future Plans 2021/2022

As we emerge from 18 months of living with a pandemic, we know the challenges facing the VCSE sector are considerable. Rightly so, the VCSE sector was recognised nationally and locally as an integral part of the response to Covid-19. We know, however, that because of the pandemic, inequality has never been more acute. Covid hit disproportionately amongst our communities in terms of health, wellbeing, economic security, resilience. The VCSE will be a key partner in seeking to reduce those inequalities, to co-create with communities and statutory partners solutions that focus on what matters to people living in South Tyneside.

At the same time, we understand the challenges faced in the operating environment for the VCSE. Emergency funding that was pumped into many sectors during Covid will ebb away, funders themselves report their financial situations have changed. The viability of some of the VCSE sector will be under considerable pressure.

This year will see the refresh of key strategies across the borough including the Health and Wellbeing Strategy and the VCSE strategy. We will contribute fully and proactively in these endeavours and seek to ensure the needs and aspirations of our communities are centred in these strategies.

Inspire will continue our work to support the VCSE sector through maximising funding opportunities in a proactive way, including the provision of microgrants. We will adopt new ways of engaging with organisations to assist them in navigating funding routes. We will continue to maintain effective strategic relationships with funders building on the very positive engagement over the past year and ensure we are able to demonstrate the impact organisations are making with grant funding.

As an organisation we will continue to modernise and become more agile. We will refresh our systems and ensure as far as possible we remain resilient and confident. This work is supported by Lloyds Bank Foundation. We will undertake a comprehensive review of our financial strategy and will bring new trustees on board reflecting our needs as an organisation.

INSPIRE SOUTH TYNESIDE
REPORT OF THE TRUSTEES *(continued)*
YEAR ENDED 31 MARCH 2021

Future Plans 2021/2022 continued

Modernisation of our offer around volunteering will be key as we seek to make the volunteering process one fit for a digital age. We are committed to continue working with VCSE partners across South Tyneside to make volunteering a smooth experience with shared objectives around training and support.

The coming year will see many changes across South Tyneside, in leadership, in structures – particularly health-based structures – and we will seek to ensure the voice, and experience of both the VCSE sector and the communities we work with are heard and listened to. To that end we remain committed to the ‘alliance’ means of working across South Tyneside and will continue to participate fully in a range of alliances alongside colleagues across the VCSE sector to ensure a community-based perspective is centred.

Trustees’ responsibilities in relation to the Financial Statements

The trustees are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are responsible for safeguarding the assets of the charity and, hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

A Resolution to appoint Claire Miller at Debere Limited as Independent Examiner for the ensuing year will be proposed at the Annual General Meeting.

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

Approved by the trustees on 19 January 2022 and signed on its behalf by



Rebecca Maw
Chair

INSPIRE SOUTH TYNESIDE
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
INSPIRE SOUTH TYNESIDE

YEAR ENDED 31 MARCH 2021

I report on the accounts of the Charitable Incorporated Organisation for the year ended 31 March 2021, which are set out on pages 10 to 23.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act'), and that an independent examiners report is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiners Report

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

(1) Which gives me reasonable cause to believe that, in any material respect, the requirements to:

- keep accounting records in accordance with s130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act.

have not been met; or

(2) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Claire Miller BA (Hons) FCA
Independent Examiner

Debere Limited

ON BEHALF OF DEBÉRE LIMITED
Chartered Accountants

Swallow House
Parsons Road
Washington
Tyne and Wear
NE37 1EZ

Date: 19 January 2022

INSPIRE SOUTH TYNESIDE
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Other trading activities	4	7,218	–	7,218	9,759
Charitable activities	5	<u>138,744</u>	<u>67,700</u>	<u>206,444</u>	<u>151,233</u>
Total income		<u>145,962</u>	<u>67,700</u>	<u>213,662</u>	<u>160,992</u>
Expenditure:					
Charitable activities		<u>(123,491)</u>	<u>(37,802)</u>	<u>(161,293)</u>	<u>(151,199)</u>
Total expenditure	6	<u>(123,491)</u>	<u>(37,802)</u>	<u>(161,293)</u>	<u>(151,199)</u>
Net incoming / (outgoing) resources before transfers	9	22,471	29,898	52,369	9,793
Transfers					
Gross transfers between funds		<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Net movement in funds		22,471	29,898	52,369	9,793
Total funds brought forward		<u>95,626</u>	<u>245,231</u>	<u>340,857</u>	<u>331,064</u>
Total funds carried forward		<u>118,097</u>	<u>275,129</u>	<u>393,226</u>	<u>340,857</u>

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

All income and expenditure derives from continuing activities.

The notes on pages 12 to 25 form part of these financial statements

INSPIRE SOUTH TYNESIDE

Charity Number: 1167813

BALANCE SHEET

31 MARCH 2021

	Notes	2021	2020
		£	£
Fixed assets			
Tangible assets	10	245,017	249,559
Current assets			
Debtors	11	144,856	3,892
Cash at bank		<u>196,153</u>	<u>124,675</u>
		341,009	128,567
Creditors: amounts falling due within one year	12	<u>(192,800)</u>	<u>(37,269)</u>
Net current assets		<u>148,209</u>	<u>91,298</u>
Net assets		<u>393,226</u>	<u>340,857</u>
Net assets			
Funds			
Restricted funds	13	275,129	245,231
Unrestricted funds:	14		
Designated funds		16,458	—
General funds		<u>101,639</u>	<u>95,626</u>
Total charity funds	15	<u>393,226</u>	<u>340,857</u>

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)).

For the year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors/trustees responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors/trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the Board of Trustees on 19 January 2022 and signed on their behalf by:



Rebecca Maw
Chair

The notes on pages 12 to 25 form part of these financial statements

INSPIRE SOUTH TYNESIDE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The address of the charity's registered office and principal place of business is John Hunt House, 27 Beach Road, South Shields, Tyne and Wear, NE33 2QA.

Inspire South Tyneside meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Fund accounting

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Voluntary income received by way of donations and gifts to the charity is included in full in the Statement of Financial Activities when received. Intangible income is not included unless it represents goods or services which would have otherwise been purchased. Gifts in kind are valued and brought in as income and the appropriate expenditure. There were no gifts in kind in the year ended 31 March 2021.

Investment income

Interest is included when receivable by the charity.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES *(continued)*

Expenditure

All expenditure is accounted for on an accruals basis inclusive of Value Added Tax.

Charitable activities include all costs relating to activities where the primary aim is part of the objects of the charity along with the indirect costs. The indirect costs have been apportioned on a reasonable basis which is consistent with previous years.

Governance costs include salary (approximately 10% of Chief Executive Officer role) cost attributable to the management of the charity's assets, organisational and administration and compliance with constitutional and statutory requirements. Governance costs also include audit and accountancy fees as well as the Annual General Meeting costs.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash held at bank and cash in hand.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Statement of Financial Position date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102, in full to all of its financial instruments. All of the charity's financial assets and financial liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES *(continued)*

Pension costs

In 2016 South Tyneside Council for Voluntary Service reviewed the pension options and agreed to continue participating in The Pension Trust Growth Plan Series 4. Following the implementation of the Pensions Act 2011, the scheme has been reclassified to a defined benefit scheme. This is a multi-employer scheme and is a 'last man standing' scheme for the purposes of the Pension Protection Fund. Due to the nature of the scheme it is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to each individual participating employer as a result of contributions being co-mingled for investment purposes, and benefits are paid out of the Plan's total assets.

The contributions have therefore been charged to the Statement of Financial Activities in accordance with the guidance published by the Pension's Trust.

Actuarial valuations are carried out on the plan every three years in line with statutory requirements. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing scheme assets with past service liabilities at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

In accordance with the Pension's Trust guidance, liabilities will only trigger for the charity if one of the following events occurs:

- The commencement of the winding up of the Plan;
- The charity becomes insolvent; or
- The charity ceases to participate in the Plan i.e. it no longer has an active member in the Plan at a point in time when there is at least one other employer that continues to employ active members in the Plan.

The charity is being proactive in the development of policies and procedures in relation to auto enrolment.

Tangible Fixed Assets and Depreciation

All capital items are capitalised at cost, with a de-minimus limit of £500.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Land & Buildings	Building	Over 50 years
	Lift	10% reducing balance

No depreciation is charged on freehold land.

Computer Equipment	33.3% straight line
Office Equipment	15% reducing balance
Office Furniture	15% reducing balance

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES *(continued)*

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense unless these costs are required to be capitalised as an intangible or tangible fixed asset.

Employees are only entitled to carry forward unused holiday entitlement in exceptional circumstances, and only by agreement with management. The cost of any unused entitlement is recognised in the period in which the employee's services are required.

Critical Accounting Estimates And Areas Of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The only significant area of judgement is the useful economic lives of fixed assets, details of which are given above.

2. COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

3. STATEMENT OF FINANCIAL ACTIVITIES FOR THE PRIOR YEAR

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Income from:				
Other trading activities	4	9,759	—	9,759
Charitable activities	5	<u>123,744</u>	<u>27,489</u>	<u>151,233</u>
Total income		<u>133,503</u>	<u>27,489</u>	<u>160,992</u>
Expenditure:				
Charitable activities		<u>(120,306)</u>	<u>(30,893)</u>	<u>(151,199)</u>
Total expenditure	6	<u>(120,306)</u>	<u>(30,893)</u>	<u>(151,199)</u>
Net incoming / (outgoing) resources before transfers	9	13,197	(3,404)	9,793
Transfers				
Gross transfers between funds		<u>—</u>	<u>—</u>	<u>—</u>
Net movement in funds		13,197	(3,404)	9,793
Total funds brought forward		<u>82,429</u>	<u>248,635</u>	<u>331,064</u>
Total funds carried forward		<u>95,626</u>	<u>245,231</u>	<u>340,857</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Rental income	7,120	—	7,120	9,575
Miscellaneous income	<u>98</u>	<u>—</u>	<u>98</u>	<u>184</u>
	<u>7,218</u>	<u>—</u>	<u>7,218</u>	<u>9,759</u>

In the year ended 31 March 2021, income from other trading activities of £7,218 (2020: £9,759) was unrestricted and £nil (2020: £nil) was restricted.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
STMBC	123,744	—	123,744	123,744
NHS South Tyneside	—	800	800	25,289
Sir James Knott	—	—	—	1,000
Winter Resilience Fund	—	21,000	21,000	—
Barbour	—	—	—	1,200
Lloyds	15,000	—	15,000	—
Peer Pals – NHS CCG	—	34,000	34,000	—
Community Foundation	—	8,900	8,900	—
VCSEP	—	3,000	3,000	—
	<u>138,744</u>	<u>67,700</u>	<u>206,444</u>	<u>151,233</u>

In the year ended 31 March 2021, income from charitable activities of £138,744 (2020: £123,744) was unrestricted and £67,700 (2020: £27,489) was restricted.

6. EXPENDITURE

	Direct Costs £	Staff Costs £	Depre- ciation £	Other Costs £	2021 £	2020 £
Charitable activities	28,400	91,835	6,411	32,061	158,707	148,679
Governance costs	—	—	—	2,586	2,586	2,520
	<u>28,400</u>	<u>91,835</u>	<u>6,411</u>	<u>34,647</u>	<u>161,293</u>	<u>151,199</u>

In the year ended 31 March 2021, total expenditure of £123,491 (2020: £120,306) was unrestricted and £37,802 (2020: £30,893) was restricted.

Direct costs are made up as follows:

	2021 £	2020 £
Grants payable	<u>28,400</u>	<u>20,289</u>

Governance costs are made up as follows:

	2021 £	2020 £
Independent Examiners Fees	1,536	1,500
Accountancy fees	<u>1,050</u>	<u>1,020</u>
	<u>2,586</u>	<u>2,520</u>

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

6. EXPENDITURE *(continued)*

Other costs are made up as follows:

	2021	2020
	£	£
Travel	157	640
Telephone	1,240	1,489
Printing and office supplies	–	891
Repairs and facility charge	8,535	9,846
Council tax and water rates	1,973	2,250
Heating and lighting	2,542	3,455
Cleaning and waste	1,446	2,911
Insurance	3,816	3,404
Fees and subscriptions	2,316	2,914
Training	150	267
Consultancy and legal fees	9,035	7,500
Voluntary expenses	–	58
Bank charges	62	103
Room hire	–	1,640
Sundry expenses	<u>789</u>	<u>346</u>
	<u>32,061</u>	<u>37,714</u>

7. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

The aggregate payroll costs were:

	2021	2020
	£	£
Wages and salaries	78,955	71,663
Social security costs	1,028	1,664
Other pension costs	<u>11,852</u>	<u>11,710</u>
	<u>91,835</u>	<u>85,037</u>

No employee earned in excess of £60,000 (2020: £60,000) during the year.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

7. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL *(continued)*

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2021	2020
	No	No
Total	<u>5</u>	<u>5</u>

Key management personnel

The key management personnel of the charity comprise the trustees and the business manager. Total employee benefits of the key management personnel for the year were £21,056 (2020: £27,942).

Trustees' remuneration and expenses

No remuneration directly or indirectly out of the charity was paid or payable for the year to any trustee or any persons known to be connected with any of them. No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year.

As part of the organisations insurance policy, trustees have been indemnified against consequence of any neglect or default on their behalf.

8. PENSION COSTS

Inspire South Tyneside participates in The Pensions Trust Growth Plan which is classified as a defined contribution scheme for the purposes of financial reporting. The assets of the fund are held separately from those of the charity in an independently administered fund.

Contributions to the fund during the year amounted to £11,852 (2020: £11,710). Amounts outstanding at the year end were £nil (2020: £nil).

9. NET INCOMING / OUTGOING RESOURCES

Net incoming/(outgoing) resources are stated after charging:

	2021	2020
	£	£
Staff pension contributions	11,852	11,710
Depreciation	6,411	5,639
Independent Examiners fee	<u>1,536</u>	<u>1,500</u>

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

10 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Equipment and Furniture £	Total £
Cost			
At 1 April 2020	329,256	18,866	348,122
Additions	—	1,869	1,869
Disposals	—	—	—
At 31 March 2021	329,256	20,735	349,991
Depreciation			
At 1 April 2020	85,225	13,338	98,563
Charge for the year	4,101	2,310	6,411
Disposals	—	—	—
At 31 March 2021	89,326	15,648	104,974
Net book value			
At 31 March 2021	<u>239,930</u>	<u>5,087</u>	<u>245,017</u>
At 31 March 2020	<u>244,031</u>	<u>5,528</u>	<u>249,559</u>

All tangible fixed assets are held for charitable purposes.

11. DEBTORS

	2021 £	2020 £
Trade debtors	144,000	958
Other debtors	—	500
Prepayments and accrued income	<u>856</u>	<u>2,434</u>
	144,856	3,892

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	84	2,764
Accruals and deferred income	4,128	4,417
Other creditors	<u>188,588</u>	<u>30,088</u>
	192,800	37,269

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

13. RESTRICTED FUNDS

For the year ended 31 March 2021

Movement in resources:

	<i>Balance 1 April 2020 £</i>	<i>Incoming £</i>	<i>Outgoing £</i>	<i>Transfers to Unrestricted £</i>	<i>Balance 31 March 2021 £</i>
Building Fund	244,031	–	(4,102)	–	239,929
NHS South Tyneside	–	800	(800)	–	–
Winter Resilience Funds	–	21,000	(21,000)	–	–
Peer Pals – NHS CCG	–	34,000	–	–	34,000
Barbour	1,200	–	–	–	1,200
Community Foundation	–	8,900	(8,900)	–	–
VCSEP	–	3,000	(3,000)	–	–
	<u>245,231</u>	<u>67,700</u>	<u>(37,802)</u>	<u>–</u>	<u>275,129</u>

For the year ended 31 March 2020

Movement in resources:

	<i>Balance 1 April 2019 £</i>	<i>Incoming £</i>	<i>Outgoing £</i>	<i>Transfers to Unrestricted £</i>	<i>Balance 31 March 2020 £</i>
Building Fund	248,151	–	(4,120)	–	244,031
NHS South Tyneside	–	25,289	(25,289)	–	–
Sir James Knott	–	1,000	(1,000)	–	–
Big Lottery – Awards for All	484	–	(484)	–	–
Barbour	–	1,200	–	–	1,200
	<u>248,635</u>	<u>27,489</u>	<u>(30,893)</u>	<u>–</u>	<u>245,231</u>

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

13. RESTRICTED FUNDS *(continued)*

Building Fund – funding received towards the cost of the building and also the decorations, repairs and other costs associated with maintaining the IST premises. Annual depreciation is charged against this balance.

Winter Resilience Funds – Winter resilience fund of £21,000 awarded to large and small charities across South Tyneside supporting mental and physical health and wellbeing.

Peer Pals – NHS Peer Pals award of £34,000 to deliver two test beds for the concept of Peer Pals (lived experience) focusing on long term conditions. The funding also supports the creation of a Peer Pals Network for South Tyneside ensuring system wide learning of the value of lived experience.

Community Foundation – funding for a mapping project from the Vital Tyne & Wear Fund, specifically staff costs of employing a temporary, part time employee in order to map the remaining VCSE sector in South Tyneside.

Big Lottery – grant to set up “Sector Connector”, an organisation to allow local businesses to be more connected with their local communities by sharing resources.

Barbour – Funding towards the volunteer celebration 2020

NHS South Tyneside - Microgrants – small grants disseminated for health work within the community. Includes £5,000 of overheads.

Sir James Knott – funding for the Volunteer Celebration event (a party to thank the Borough's volunteers).nes

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

14 Unrestricted funds

For the year ended 31 March 2021

	<i>Balance at 1 Apr 2020 £</i>	<i>Incoming £</i>	<i>Outgoing £</i>	<i>Transfers £</i>	<i>Balance At 31 Mar 2021 £</i>
<i>Designated funds:</i>					
Redundancy reserves	–	–	–	5,340	5,340
Contingencies for closure	–	–	–	11,118	11,118
Total designated funds	–	–	–	16,458	16,458
<i>General funds</i>	<u>95,626</u>	<u>145,962</u>	<u>(123,491)</u>	<u>(16,458)</u>	<u>101,639</u>
	<u>95,626</u>	<u>145,962</u>	<u>(123,491)</u>	<u>–</u>	<u>118,097</u>

For the year ended 31 March 2020

	<i>Balance at 1 Apr 2019 £</i>	<i>Incoming £</i>	<i>Outgoing £</i>	<i>Transfers £</i>	<i>Balance At 31 Mar 2020 £</i>
<i>Designated funds:</i>					
Redundancy reserves	–	–	–	–	–
Contingencies for closure	–	–	–	–	–
Total designated funds	–	–	–	–	–
<i>General funds</i>	<u>82,429</u>	<u>133,503</u>	<u>(120,306)</u>	<u>–</u>	<u>95,626</u>
	<u>82,429</u>	<u>133,503</u>	<u>(120,306)</u>	<u>–</u>	<u>95,626</u>

Designated funds are as follows:

Redundancy reserves – the balance of £5,340 has been based on Government calculations as at 31 March 2021

Contingencies for closure – the balance has been based on the estimated costs of closing the charity.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the year ended 31 March 2021:

	Tangible fixed assets £	Net current assets £	Total 2021 £
Restricted funds	239,929	35,200	275,129
Designated funds:			
Redundancy reserves	—	5,340	5,340
Contingencies for closure	—	11,118	11,118
General unrestricted funds	<u>5,088</u>	<u>96,551</u>	<u>101,639</u>
Total funds	<u>245,017</u>	<u>148,209</u>	<u>393,226</u>

For the year ended 31 March 2020:

	Tangible fixed assets £	Net current assets £	Total 2020 £
<i>Restricted funds</i>	244,031	1,200	245,231
<i>Unrestricted funds</i>	<u>5,528</u>	<u>90,098</u>	<u>95,626</u>
	<u>249,559</u>	<u>91,298</u>	<u>340,857</u>

16. CONTROLLING PARTY

In the opinion of the trustees the charity is not controlled by any single party.

INSPIRE SOUTH TYNESIDE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

17. PENSION SCHEME

As disclosed within Note 1 of the financial statements, the charity participates in The Pension Trust Growth Plan Series 4 which has been reclassified to a defined benefit scheme following the implementation of The Pensions Act 2011. The Plan is funded and is not contracted-out of the State scheme. The Plan is also a multi-employer pension plan.

Actuarial valuations are carried out on the plan every three years in line with statutory requirements. As at 30 September 2014, the estimated debt on withdrawal liability for the charity was £166,857. However, in accordance with guidance issued by the Pension's Trust none of the following events have occurred during the financial year; or are expected to occur subsequent to the Balance Sheet date.

The commencement or winding up of the Plan;

- The charity has become insolvent; or
- The charity has ceased to participate in the Plan.

On that basis, under the guidance issued by the Pension's Trust, there is no requirement to provide for such liability within the year-end financial statements as it is unlikely that the debt will crystallise at the current time.

The rules of the Growth Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan.

18. TAXATION

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

19. VOLUNTEERS

The charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly from the considerable time, energy and expertise given by the board of trustees.

In addition, administrative and reception roles were undertaken by 5 volunteers, covering 20 hours a week.

20. RELATED PARTY TRANSACTIONS

During the year accountancy services were provided to the charity to the value of £9,000 (2020: £9,675) from Groundwork South and North Tyneside Limited, a company where Rebecca Maw (Chair) is an employee.