

Company registration number: 08293679

Charity registration number: 1169071

Lincs Inspire Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Forrester Boyd
26 South St. Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

Lincs Inspire Limited

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Lincs Inspire Limited

Reference and Administrative Details

Chairman	M Towle
Trustees	A Bird I Keal M Hodson C Lumley
Secretary	R Marshall
Senior Management / Leadership Team	S Wells, CEO D Huddleston, Finance Director C Williams, General Manager R Topliss, Contracts and Performance Manager T Bratton, Head of HR and Compliance
Charity Registration Number	1169071
Company Registration Number	08293679
Registered Office	The charity is incorporated in England. Bradley Football Development Centre Bradley Road Grimsby North East Lincolnshire DN37 0AG
Auditor	Forrester Boyd 26 South St. Mary's Gate Grimsby North East Lincolnshire DN31 1LW
Bankers	Barclays Bank plc 35 Victoria Street Grimsby N E Lincolnshire DN31 1DE

Lincs Inspire Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023.

Objectives and activities

Purpose of the Charity

Lincs Inspire is committed to helping local people achieve their aspirations, stay active, stay well, and enjoy life to the full.

Our Aims -

- Provide services that residents want to use, value, and recommend.
- Help our community to be more active, healthy, and resilient.
- Inspire and support lifelong learning and creative engagement.
- Be a high performing, efficient and agile organisation.

Our Objectives -

- Grow our business through increased participation and by introducing innovative services.
- Improve our resilience by remodelling services reliant on subsidy.
- Continue to develop our workforce and facilities to be agile and effective.
- Develop funding reserves to support future growth, opportunity, and management of risk.

Our Values -

- Our Core Social Value is based on the achievement of direct well-being impacts.
- Our Added Social Value is based on our wider ethos of supporting local supply chains, providing local employment, being energy efficient and environmentally responsible.

What We Do

Lincs Inspire delivers a wide range of services, focusing on:

- Borough-wide sports and leisure facilities, including the operation of leisure centres, swimming pools, a football development centre, athletics stadium, and a diverse programme of community-based activities.
- Dedicated Health and Wellbeing Centre focussed on supporting residents to manage long-term health conditions and disabilities through adapted exercise, physical therapy, and low impact sporting activities.
- Showcasing cultural experiences and opportunities for participation, including operating the borough's largest live performance venue, statutory library service, public archive facility, and providing creative activities aimed at supporting wellbeing and social interaction.
- Working with schools and academies to support children to be active and stay safe via a range of after school activities and a boroughwide road safety/safe cycling training programme.
- Within Greater Lincolnshire, operating an accessible and popular visitor centre and multi-use conference/community space within the heart of an inspiring nature reserve.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Fundraising disclosures

The charity does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Lincs Inspire Limited

Trustees' Report

Structure, governance and management

Nature of governing document

Lincs Inspire Limited is a registered Charity (No.1169071) which was incorporated on 14 November 2012. It is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

Recruitment and appointment of trustees

When recruiting new trustees, the company applies a process of application and interview. Following which all appointments are subject to final proposal at the appropriate following board meeting, a vote is undertaken, and the appointment duly recorded.

By virtue of its Articles of Association (its governing document), all members of the charity are also trustees and directors. The board of trustees meet whenever required but no less often than once per quarter to review the charity's performance, governance and to support strategic planning for future developments and the sustainability of the charity. In addition, a sub-committee is also in place to consider specific areas of governance when required, this includes regular reviews of financial performance.

At all board and sub-committee meetings declarations of interest are recorded where relevant and in the event of a conflict, the trustee would be required to leave the meeting and take no part in any related decision-making process.

The Articles of Association reflect the use of virtual meeting platforms, enabling discussion and decision making to be flexible. The board however endeavours to meet in person with all board meetings during 2022/23 conducted in person.

Induction and training of trustees

New trustees also undertake a process of induction including familiarisation with the charity's aims and objectives, overview of policies and procedures, understanding of roles and responsibilities and an introduction to key services, facilities, and senior staff.

Organisational structure

Day to day management of Lincs Inspire Limited is delegated to the Chief Executive – Ms S. Wells.

Finance and governance is managed by the Finance Director, Mr D Huddleston.

Company Secretary continues to be Mr D. Marshall.

External Auditor is Forrester Boyd.

Banking Services are provided by Barclays Bank Plc.

Governance

Charity trustees:

Trustee Name	Office (if any)	Dates acted if not for whole year
Alan Leslie Bird		Whole year
Mark Hodson		Whole year
Charles Lumley		Appointed July 2023
Irene Keal		Appointed September 2022
Malcolm Reginald Towle	Chair of Trustees from 17 July 2017 to present date	
Amy Quickfall		Appointed December 2022 and resigned September 2023
Sally Jack		Resigned April 2022

Lincs Inspire Limited

Trustees' Report

The Trustees were sorry to say goodbye to Sally Jack who has been a key member of the board and involved in the Charity's development since its inception. All board members wished Sally well in her future endeavours.

At the Charity's Annual General Meeting in October 2022, Mr Malcolm Towle was re-elected as Chair of the Board of Trustees. Fellow board members thanked Malcolm for his continued chairmanship of the charity and commitment to the ongoing development of its services and those of the company's subsidiary too.

At the AGM board members also welcomed new trustee, Irene Keal, who brings a wealth of business experience and local knowledge to the table, alongside a keen interest in sports, leisure, and cultural activities.

At the December 2022 board meeting, members were delighted to welcome a further new trustee, Amy Quickfall, who shares with the charity her extensive experience of working within the health sector and especially working with mental health services and developmental areas.

Existing Governance:

There are no trustees holding title to property belonging to the charity.

There are no funds held as custodian trustees on behalf of others.

All key Charity Commission guidance documents are formally reported to the charity trustees who are also encouraged to visit the Charity Commission website and to raise issues internally within the charity via the Chief Executive or via the Company Secretary.

In relation to the Charity Commission's specific guidance on public benefit, the trustees understand the essential requirement that for a purpose to be charitable it must comply with the following two tests, namely:

- (a) it must be beneficial, and any detriment or harm that results from the purpose must not outweigh the benefit ('the benefit aspect'); and
- (b) it must benefit the public in general, or a sufficient section of the public ('the public aspect').

The trustees also recognise that a charitable purpose may only benefit individuals or other legal entities to an extent that is no more than incidental to the furtherance of the charitable purpose.

The Charity Commission's guidance has been seen by all trustees.

The trustees have created a structure which separates all activities that comply with the above two tests from those that do not. Those that do not, unless the incidental benefit exemption applies, are wholly reserved to the trading subsidiary.

The Charity also submitted its annual Confirmation Statement in November 2022, and this was required to include a statement relating to People with Significant Control (Regulations 2016). The purpose of which is to list individuals with "significant control" over companies, including charities and limited liability partnerships, to increase the transparency of corporate structures and to identify those able to exercise, or actually exercising, significant control.

It was concluded that the PSC Register for Lincs Inspire could not identify any individual with significant control. In terms of Lincs Inspire Venues & Enterprises (subsidiary company), it was also confirmed that the entry for the PSC Register recorded the company knows, or has reasonable cause to believe, that there is no registrable person in relation to the company."

Trading Subsidiary:

2022/23 was the sixth year of trading for Lincs Inspire Venues & Enterprises Limited, a not-for-profit private limited company set up as a trading subsidiary, specifically to operate the Grimsby Auditorium and, possible other commercial ventures where trading is not ancillary to a core charitable activity.

Lincs Inspire Venues & Enterprises Limited continues to operate through its own board of directors, including representation from the main board of trustees for Lincs Inspire Limited, and meets on a quarterly basis to review the strategic operation of the company and its ongoing support to the charity.

A stable board of directors was retained throughout 2022/23 and at the company's AGM in October 2022, all directors were thanked for their continued support and commitment.

Lincs Inspire Limited

Trustees' Report

Employment of disabled persons

Lincs Inspire Limited and its trading subsidiary Lincs Inspire Venues & Enterprises Limited will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise.

During employment Lincs Inspire Limited and its trading subsidiary Lincs Inspire Venues & Enterprises Limited seeks to work with employees, considering their personal circumstances to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

Employee involvement

Lincs Inspire Limited and its trading subsidiary Lincs Inspire Venues & Enterprises Limited encourages the involvement of its employees through regular management and team meetings, and the dissemination of information of particular concern to employees and for receiving their views on important matters of policy.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 13 December 2023 and signed on its behalf by:

.....
M Towle
Chairman

Lincs Inspire Limited

Strategic Report for the Year Ended 31 March 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023, in compliance with s414C of the Companies Act 2006.

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2023, which is also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Lincs Inspire Limited is an independent, not for profit company, set up to deliver a range of community services including sport, leisure, and cultural services, principally provided in and around Lincolnshire.

The following report concentrates on the financial year 2022/23. The company was incorporated on 14 November 2012 and achieved registration as a charity with the Charity Commission on 7 September 2016.

Achievements and performance

2022/23 has been a challenging year, with earlier uncertainty arising from the ending of the pandemic's restrictions, through to more recent financial pressures felt by everyone.

It has been pleasing to see performance in many areas gradually returning to levels we would expect to see, and even some of our more sensitive services starting to see numbers grow once again.

2022/23 Performance Impact at a glance

- Leisure subscription members rose from c. 9.6k in April 2022 to c. 10.3k by March 2023, plus a further c. 38k casual (pay-as-you-go) users, equating to a strong 724k visits across the year.
- Over 120k swim lessons were delivered, supporting an average 2k children participating per week.
- Our Active Forever and Active Seniors programmes clocked up a healthy 35.4k engagements, which includes 844 health professional referrals on to our 12-week Active Forever programme, our highest number of referrals since the programme's launch.
- Bradley Football Development Centre had a strong season, despite a 7-week closure whilst a new 3G pitch was laid, total engagements topped 125k, and our overall football participation (including KGV Stadium) equated to 140k.
- Sports Development continued to work with 38 schools delivering 'Bikeability' learn to ride programmes, and a wide range of in and out of school activities, resulting in c. 26k pupil engagements. In addition, delivering over 4k holiday activity places during half-terms.
- Grimsby Auditorium had a stronger year with 145 performances and nearly 78k attendances, including a diverse programme of professional shows, alongside inspiring community theatre and music events. Pantomime proved once again to be a great success with several sell out performances.
- Over 160k Library visits resulted in nearly 140k books being issued which is a good increase on previous restricted years and getting closer to pre-covid performance.
- 67k people visited the National Centre for Craft and Design, compared to 117k pre-Covid, a very gradual return to engagement has been experienced over the last 12 months.
- Over 256k people visited Whisby Natural World Centre, this is a further increase in attendance, and good to see hospitality getting closer to pre-covid performance.

Lincs Inspire Limited

Strategic Report for the Year Ended 31 March 2023

Performance highlights:

Leisure Centres - the year finished at 724k visits, which is 38% below our target. This represents an improvement on the previous 12 months and also reflects some disruption to attendance as a result of closures at Cleethorpes and Immingham facilities for repair and replacement works. Leisure memberships have remained relatively stable at just over 10k which given the uncertainties of the financial climate is not an unreasonable position.

Swim lessons continue to be popular with demand often outstripping capacity. The national teacher shortage continues to be a challenge, preventing scheme growth. We are currently working with the IOS (Institute of Swimming) to deliver a Teacher Academy in the hope of training more aspiring new teachers.

Cleethorpes leisure centre has also played host to a couple of new events this year, firstly the Children's Health and Wellbeing Fayre, attended by over 400 children and adults. This is the first event we have trialled of this nature and involved several of our services, local businesses, and service providers who specialise in children's mental health. With a variety of activity on offer, and all SEN friendly, feedback was very positive, and we aim to add this to our annual event calendar going forward.

In addition, and in partnership with 'Cineshow', we introduced a sensory cinema experience into our sports hall at Cleethorpes leisure centre. This event incorporated a movie showing, live performance, soft play, messy play, and various other activities. These screenings are designed to be immersive and accessible for children with SEN. Response from families has been very positive, and going forward we aim to deliver a screening of a different movie each quarter.

Health and Wellbeing Centre - this venue continues to deliver our community wellbeing programme of physical and mental health activities that support adults to be active, stronger, and more resilient. Facilities include a range of adapted sports and exercises, plus assisted equipment, all specifically designed to enable participation, whatever the level of mobility, strength, or confidence.

The venue is also home to our 'Active Forever' scheme, which includes a 12-week supported programme, based on referrals from medical professionals and this year we received 844 referrals, which is the highest annual number since we started this programme back in 2016/17. Including those participants continuing after the 12-week referral programme, and self-referring participants, across the year this equates to 35.4k attendances and makes our Wellbeing Hub one of the highest performing in England.

Libraries & Public Archives - the Library Service ended the year with an improved position, demonstrating a continued journey towards pre-covid performance. Footfall across all four libraries equated to over 160k with nearly 154k of books being issued.

Further developments in online resources and increased access to collections has helped the service to achieve 13k online book issues, with a further 4k reference and research issues too.

Cultural events within Libraries, including those funded via an Arts Council England grant resulted in nearly 4k attendances at 33 events. These included Creative Writing Workshops, Live Performances, Craft Events and Sewing Workshops. In addition, two large scale events included a Junior Open Art Exhibition and a project delivered by the 'Colour Foundry' working with a local school.

Sports Development - Lincs Inspire is the area's largest provider of school sports services, supporting PE and after school clubs, and providing a comprehensive road safety and learn to ride programme called 'Bikeability'.

A combined total of c.3k pupils attended level 1 and 2 'Bikeability' courses throughout 2022/23, with an average 93% pass rate.

The delivery of extracurricular activities within schools has also increased, with attendances reaching c. 4.1k (compared to 1.4k in 2021/22). This area is gradually returning to pre-pandemic levels. However, PPA (planning, preparation, and assessment) delivery hours as part of the school day remain low. This is due largely to school finances and their ability to fund these activities.

Lines Inspire Limited

Strategic Report for the Year Ended 31 March 2023

Bradley Football Development Centre - open all year round, providing facilities for training and development across all ages and abilities, alongside provision of a competitive pitch, suitable for local and regional lower league fixtures.

Overall football engagement totalled c.125k, which despite a seven-week closure earlier in the year (for the replacement of the 3G pitch surface) we have met the target set. Performance is quite evenly split across adult and junior use, with a continued strong attendance by our over 55's, walking footballers, who ended the year on just over 11k engagements.

Grimsby Auditorium - The Auditorium capacity is 1.3k seated and 2k standing and is the largest live performance venue in the borough.

The year has seen a return to more normal programming with a variety of shows featuring live bands, comedians, musicals, and drama. Plus, a good selection of local dance, amateur dramatics, and music. The venue provided 145 performances and received nearly 78k attendances, including our most successful pantomime to date. In addition, community and business events have included festivals, business AGM's, NHS awareness raising events, plus school careers events and a singing festival.

Whisby Natural World Centre - the venue is located within a nature reserve and provides hospitality alongside a range of activities for young and old, including indoor and outdoor play areas, craft fairs and workshops, plus facilities to host social and celebratory events.

Hospitality continues to be challenging, with ever increasing costs and recruitment pressures. Overall visitor patronage has been strong, with a good number of social event hires taking place. Business events have however been very slow to rebuild.

Over 250k visits is very positive, supporting an increase in food and beverage sales too. However continuous pricing reviews remain essential, due to rising costs.

The National Centre for Craft and Design - 2022/23 has been the final year of this contract, with a well-managed transfer to a new operator taking place at the year end.

The past two years of trading have been difficult due to the impact of the pandemic and a reliance on income generated by hospitality and retail sales put increased pressure on the service. However, a full programme of diverse exhibitions and events were delivered, alongside creative learning experiences for all ages and abilities.

HAF (Holiday Activities Funding) - 2022/23 saw further growth in our HAF activities, funded via a national government scheme administered by the local authority. HAF funds positive and enriching activities for school children from low-income households during main school holidays. We have provided over 5,100 spaces across our sports, leisure, library, and entertainment services for all appropriate school holiday periods. These sessions included dance, sports, creative and interactive activities, and two pantomime performances exclusively for HAF users. In addition, we include sessions that support children with special educational needs.

Marketing - We have continued to strengthen our marketing campaigns across a wide range of platforms. 2022/23 included an extended radio advertising campaign, using targeted channels and messages. This has greatly assisted the promotion of our services to older people and the promotion of the Active Forever programmes noted above.

Significant investment has also been made into the development of two new websites, firstly for the company overall and secondly for Whisby Natural World Centre. The end results provide customers with online resources that are easy to access and use, aligned to a range of booking and payment options.

Staffing - Employee numbers have remained relatively stable throughout the year at c. 500 (combined full, part-time and casual staff - utilised at busy times). Recruitment has continued to be challenging throughout the year, however towards the end of 2022/23 early signs of improvement were emerging, with renewed interest in training opportunities, especially supporting the leisure sector.

Development of our workforce continues to be a key priority and the charity provides a wide range of opportunities from sport and leisure apprenticeships through to attainment of nationally recognised qualifications. During 2022/23 this included swim teaching qualifications, Fitness Instructor qualifications, RLSS Lifeguard qualifications through to Accountancy, Human Resources and Payroll qualifications.

In addition, a range of vocational training and awareness raising opportunities are provided both internally and externally supporting areas such as customer services, supervisory skills, and health condition awareness.

Lines Inspire Limited

Strategic Report for the Year Ended 31 March 2023

A mandatory training programme also supports new recruits, alongside refresher/CPD training for existing staff, for example First Aid at Work, ISOH (managing health and safety), Manual Handling, Working at Heights etc.

Throughout 2022/23 we also supported a number of work experience placements, including working with young people with disabilities in partnership with health sector colleagues.

The Charity also submitted its annual Gender Pay Gap report on time, highlighting a balanced workforce where pay is based on the role and its requirements, with all job descriptions evaluated and aligned to an appropriate pay grade.

Risk Management

Health and Safety:

The charity continues to actively promote good health and safety practice. This includes investment in staff training, both formal accredited training (such as IOSH Managing Safely training) through to general health and safety awareness raising.

Health and safety audits have continued throughout 2022/23 with a continued focus on ensuring our facilities remain safe and accessible for staff and customers. Board meetings include a standing agenda item, providing a summary of quarterly health and safety performance. In addition, nominated health and safety representatives from each service area meet regularly.

Strategic Risk:

The charity's senior management team meets monthly. This provides a forum in which strategic and operational risks may be raised for discussion and or escalation. All senior managers have responsibility for raising risk related concerns either immediately with the chief executive or as part of the monthly cycle of senior management team meetings.

The board of trustees continues to review the company's Strategic Risk Register on a regular basis. In addition, an Assurance Map is produced and signed off by the board. Managing risk is an ongoing process, and is the responsibility of all staff, volunteers, and trustees.

The overall risk appetite that the board of trustees consider appropriate in relation to business decisions continues to be an 'Open' appetite. This means that the board is prepared to consider all delivery options and will select those with the highest probability of productive outcomes. However, an exception to this would arise where an activity has health and safety or safeguarding risks, whereby the appetite would reduce to 'Averse'.

Financial Review

2022/23 Review:

Our main sources of income; leisure memberships and theatre ticket sales have begun to show a good return to pre-pandemic levels, ending the year at c. 85-90% return when compared to 2019/20. This places the charity in a better position than originally forecast, however this must be taken within the context of current financial pressures arising from the increased cost of supply and the cost-of-living crisis impact on customer's disposable income.

Pricing Policy:

Annual price increases are applied, based on inflationary or just below figures across all customer paying services. In certain circumstances part year amendments have also been necessary in relation to the ever-increasing costs associated with food and beverage sales.

Principal Funding Sources:

The principal funding sources during 2022/23 for the Charity are from admission and usage income, supported by contract income from North East Lincolnshire Council and North Kesteven District Council. In addition, several restricted funds arise from grants that have been secured to support specific objectives.

Approach to Investment:

The board of trustees review all key/strategic investment proposals, considering overall cost against lifetime benefit. Investment in equipment and operating systems is considered through the development of business cases and presentation of options. Procurement is in accordance with the charity's procurement procedures and a commitment to achieve best value.

The charity continues to benefit from the use of procurement frameworks and where practical collaborative purchasing, for example, working in partnership with other regional library services for the collective purchasing of library books.

Lincs Inspire Limited

Strategic Report for the Year Ended 31 March 2023

The charity does not hold any external investments or plan to undertake any investments outside the core delivery of its services.

Included within our environmental commitments is an aim, where possible, to utilise local suppliers, to re-use and recycle, and to carefully manage energy use.

Financial Reserves

The board of trustees have considered their approach to holding reserves and to date the level cash within the organisation has not been sufficient to enable the creation of any long-term reserves.

However, as a charity short to medium term reserves are in place, which are linked to restricted funds and compliance with grant funding conditions.

Additionally, unrestricted funds include:

- General Fund Reserve, being an accumulation of unrestricted reserves, and
- Designated Fund Reserves, being an available framework to support known future investment requirements, for example the replacement of vehicles or gym equipment, though this option has not been deployed to date. Such replacements to date have been funded without setting aside designated funds in advance.

Where practical to do so, the charity does have the option to hold funds within accounts attracting higher interest rates, based on a given notice to withdraw period.

The charity also holds bond/guarantor arrangements provided by North East Lincolnshire Council in support of a public sector pensions risk arising because of transferred services.

A reserves policy is in place and reviewed from time to time to ensure effectiveness.

The charitable group's year started with unrestricted funds of £2,232,022 deficit (2022: £4,113,405 deficit). Unrestricted incoming resources were £9,642,604 (2022: £8,342,645). Unrestricted resources expended amounted to £9,529,693 (2022: £8,482,656), Actuarial re-measurement loss on the defined benefit scheme was a surplus of £4,082,000 (2022: £2,032,000) and a transfer to restricted funds of £582 (2022: £11,823) left a surplus of £1,962,307 (2022: £2,232,022 deficit). This includes a pension asset of £90,000. In the instance of the pension being in a liability position, this is guaranteed by North East Lincolnshire Council. Excluding this amount, unrestricted reserves stand at £1,872,307.

Restricted reserves stand at £468,464 (£2022: £510,865) of which £111,525 (2022: £118,090) relates to amounts already expended on fixed assets.

Total reserves stand at £2,430,771. Free reserves, which excludes the pension surplus, restricted funds and amounts which can only be realised by disposing of fixed assets stand at £1,398,074 surplus.

The trading subsidiary, Lincs Inspire Venue and Enterprises Limited, had net funds at the year end of £54,118, made up of restricted funds of £237,329 surplus and unrestricted funds of £183,211 deficit. This is after incurring an in year loss before tax of £11,993.

The charity itself had a net position of £2,376,653 made up of restricted funds of £231,135 and unrestricted funds of £2,145,518. This is after incurring an in year surplus of £4,234,988.

Lincs Inspire Limited

Strategic Report for the Year Ended 31 March 2023

Plans for future periods

Aims and key objectives for future periods

To ensure our continued business viability we aim to increase participation, introduce new services that support our aims, and to rationalise those services that no longer meet the needs of the business or are no longer affordable. Most importantly, we will continue to develop our workforce to meet these demands.

Summary of current development activity:

- Building a Digital Roadmap – work is underway to support greater use of technology, more efficient systems and targeted investment that achieves a measurable return.
- Exploring flexibility for live performances – continued exploration of opportunities to unlock funding options to support more flexible live performance spaces.
- Growing pre-school activities – focusing on positive activities for special educational needs children and widening our sensory services within main leisure facilities (subject to investment).
- Extending the scope of our Active Forever programme – with an aim to support level 4 health referrals (cardio and pulmonary re-hab).
- Increasing Swim School Capacity - working with Swim England/IOS to grow the swim teacher training academy approach.
- Embedding our new HR and Payroll system – following recent investment in a fully integrated system that supports greater efficiency and accessibility, we now enter a 6-9 month period of implementation, training and embedding.

We also continue to work with our partners to explore investment and modernisation opportunities and where relevant, work together to progress external funding applications to aid capital investment.

Going forward there is also a commitment to work together to unlock opportunities for greater energy efficiency and reduced carbon footprints, especially within those services that consume high energy levels, such as swimming pools.

Summary

Against a backdrop of financial pressures experienced by our communities, staff, and the organisation, we will continue to ensure our services are delivered as effectively and efficiently as possible, providing great value for money. We will also continue to explore opportunities to unlock grant funding and investment that enables us to grow our range of community services.

Our business planning looks to the future and new development opportunities, at the same time protecting the core business to ensure we continue to be able to deliver services that have a positive community impact. We remain committed to supporting health and wellbeing and encouraging our community to stay active and enjoy life.

We are also proud of our workforce and will continue to invest in their training and development, alongside creating opportunities for career progression.

We want both our staff and customers to have the best possible experience when they engage with Lincs Inspire.

The strategic report was approved by the trustees of the charity on 13 December 2023 and signed on its behalf by:

.....
M Towle
Chairman

Lincs Inspire Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Lincs Inspire Limited for the purposes of company law) 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), including FRS 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 13 December 2023 and signed on its behalf by:

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M Towle
Chairman

Lincs Inspire Limited

Independent Auditor's Report to the Members of Lincs Inspire Limited

Opinion

We have audited the financial statements of Lincs Inspire Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Lincs Inspire Limited

Independent Auditor's Report to the Members of Lincs Inspire Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 (set out on page 12), the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation.
- Identification of key laws and regulations central to the charities operations and review of compliance with such laws including a review of Charities Commission website.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees those matters we are required to state to them in an auditor's 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lincs Inspire Limited

Independent Auditor's Report to the Members of Lincs Inspire Limited

.....
Carrie Jensen ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South St. Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

13 December 2023

Lincs Inspire Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £ (As restated)
Income and Endowments from:					
Donations and legacies	3	2,870,126	201,835	3,071,961	3,862,394
Charitable activities	4	4,024,125	2,773	4,026,898	2,945,415
Other trading activities	5	2,358,657	-	2,358,657	1,848,163
Investment income	6	45,360	-	45,360	1,709
Other income	7	344,336	57,754	402,090	267,582
Total income		<u>9,642,604</u>	<u>262,362</u>	<u>9,904,966</u>	<u>8,925,263</u>
Expenditure on:					
Raising funds	8	(1,887,681)	(66,011)	(1,953,692)	(1,594,285)
Charitable activities	9	<u>(7,642,012)</u>	<u>(239,334)</u>	<u>(7,881,346)</u>	<u>(7,295,782)</u>
Total expenditure		<u>(9,529,693)</u>	<u>(305,345)</u>	<u>(9,835,038)</u>	<u>(8,890,067)</u>
Net income/(expenditure)		112,911	(42,983)	69,928	35,196
Transfers between funds		(582)	582	-	-
Other recognised gains and losses					
Actuarial gains/ (losses) on defined benefit pension schemes	25	<u>4,082,000</u>	<u>-</u>	<u>4,082,000</u>	<u>2,032,000</u>
Net movement in funds		4,194,329	(42,401)	4,151,928	2,067,196
Reconciliation of funds					
Total funds brought forward		<u>(2,232,022)</u>	<u>510,865</u>	<u>(1,721,157)</u>	<u>(3,788,353)</u>
Total funds carried forward	27	<u><u>1,962,307</u></u>	<u><u>468,464</u></u>	<u><u>2,430,771</u></u>	<u><u>(1,721,157)</u></u>

Comparative figures can be seen on the following page.

Lincs Inspire Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £ (As restated)
Income and Endowments from:				
Donations and legacies	3	3,319,513	542,881	3,862,394
Charitable activities	4	2,945,415	-	2,945,415
Other trading activities	5	1,848,163	-	1,848,163
Investment income	6	1,709	-	1,709
Other income	7	227,845	39,737	267,582
Total income		<u>8,342,645</u>	<u>582,618</u>	<u>8,925,263</u>
Expenditure on:				
Raising funds	8	(1,537,654)	(56,631)	(1,594,285)
Charitable activities	9	(6,943,785)	(351,997)	(7,295,782)
Total expenditure		<u>(8,481,439)</u>	<u>(408,628)</u>	<u>(8,890,067)</u>
Net (expenditure)/income		(138,794)	173,990	35,196
Transfers between funds		(11,823)	11,823	-
Taxation		-	-	-
Other recognised gains and losses				
Actuarial gains/ (losses) on defined benefit pension schemes		<u>2,032,000</u>	<u>-</u>	<u>2,032,000</u>
Net movement in funds		1,881,383	185,813	2,067,196
Reconciliation of funds				
Total funds brought forward		<u>(4,113,405)</u>	<u>325,052</u>	<u>(3,788,353)</u>
Total funds carried forward	27	<u><u>(2,232,022)</u></u>	<u><u>510,865</u></u>	<u><u>(1,721,157)</u></u>

The notes on pages 21 to 48 form an integral part of these financial statements.

Lincs Inspire Limited
(Registration number: 08293679)
Consolidated Balance Sheet as at 31 March 2023

		2023	2022
	Note	£	£
Fixed assets			
Intangible assets	16	1,944	10,866
Tangible assets	17	472,289	547,428
		<u>474,233</u>	<u>558,294</u>
Current assets			
Stocks	19	75,021	78,557
Debtors	20	267,827	255,572
Cash at bank and in hand	21	2,368,738	2,059,026
		2,711,586	2,393,155
Creditors: Amounts falling due within one year	22	(821,045)	(984,950)
Net current assets		1,890,541	1,408,205
Total assets less current liabilities		2,364,774	1,966,499
Provisions	24	(24,003)	(25,656)
Net assets excluding pension liability		2,340,771	1,940,843
Pension scheme liability	25	90,000	(3,662,000)
Net assets/(liabilities) including pension liability		<u>2,430,771</u>	<u>(1,721,157)</u>
Funds of the group:			
Restricted income funds			
Restricted funds	27	468,464	510,865
Unrestricted income funds			
Unrestricted funds		1,962,307	(2,232,022)
Total funds	27	<u>2,430,771</u>	<u>(1,721,157)</u>

The financial statements on pages 16 to 48 were approved by the trustees, and authorised for issue on 13 December 2023 and signed on their behalf by:

.....
M Towle
Chairman

The notes on pages 21 to 48 form an integral part of these financial statements.

Lincs Inspire Limited
(Registration number: 08293679)
Balance Sheet as at 31 March 2023

		2023	2022
	Note	£	£
Fixed assets			
Intangible assets	16	1,944	10,866
Tangible assets	17	323,412	384,906
Investments	18	<u>1</u>	<u>1</u>
		<u>325,357</u>	<u>395,773</u>
Current assets			
Stocks	19	65,066	66,240
Debtors	20	275,246	578,479
Cash at bank and in hand	21	<u>2,118,910</u>	<u>1,377,388</u>
		2,459,222	2,022,107
Creditors: Amounts falling due within one year	22	<u>(497,926)</u>	<u>(614,215)</u>
Net current assets		<u>1,961,296</u>	<u>1,407,892</u>
Net assets excluding pension liability		2,286,653	1,803,665
Pension scheme liability	25	<u>90,000</u>	<u>(3,662,000)</u>
Net assets/(liabilities) including pension liability		<u><u>2,376,653</u></u>	<u><u>(1,858,335)</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds	27	231,135	286,893
Unrestricted income funds			
Unrestricted funds		<u>2,145,518</u>	<u>(2,145,228)</u>
Total funds	27	<u><u>2,376,653</u></u>	<u><u>(1,858,335)</u></u>

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £4,234,988 (2022 - £1,944,056) of which £4,082,000 relates to the decrease in pension scheme deficit.

The financial statements on pages 16 to 48 were approved by the trustees, and authorised for issue on 13 December 2023 and signed on their behalf by:

.....
M Towle
Chairman

The notes on pages 21 to 48 form an integral part of these financial statements.

Lines Inspire Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

		2023	2022
	Note	£	£ (As restated)
Cash flows from operating activities			
Net cash income		4,151,928	2,067,196
Adjustments to cash flows from non-cash items			
Depreciation	8	225,474	288,578
Amortisation	8	7,672	7,673
Investment income	6	(45,360)	(1,709)
Loss on disposal of intangible fixed assets		1,250	-
Loss on disposal of tangible fixed assets	11	24,778	6,043
FRS102 actuarial liability adjustment		<u>(3,752,000)</u>	<u>(1,641,000)</u>
		613,742	726,781
Working capital adjustments			
Decrease in stocks	19	3,536	317
(Increase)/decrease in debtors	20	(12,255)	178,821
Decrease in creditors	22	(56,634)	(99,082)
(Decrease)/increase in provisions	24	(1,653)	3,375
Decrease in deferred income		<u>(66,646)</u>	<u>(74,915)</u>
Net cash flows from operating activities		<u>480,090</u>	<u>735,297</u>
Cash flows from investing activities			
Interest receivable and similar income	6	45,360	1,709
Purchase of tangible fixed assets	17	(175,113)	(265,523)
Sale of tangible fixed assets		<u>-</u>	<u>(2,236)</u>
Net cash flows from investing activities		(129,753)	(266,050)
Cash flows from financing activities			
Repayment of loans and borrowings	22	<u>(40,625)</u>	<u>(40,625)</u>
Net increase in cash and cash equivalents		309,712	428,622
Cash and cash equivalents at 1 April		<u>2,059,026</u>	<u>1,630,404</u>
Cash and cash equivalents at 31 March		<u><u>2,368,738</u></u>	<u><u>2,059,026</u></u>

The notes on pages 21 to 48 form an integral part of these financial statements.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Bradley Football Development Centre
Bradley Road
Grimsby
North East Lincolnshire
DN37 0AG

These financial statements were authorised for issue by the trustees on 13 December 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) (published October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Lincs Inspire Limited 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 notes.

The financial statements are presented in sterling and rounded to the nearest pound.

Departure from requirements of FRS 102

The charity has taken advantage of FRS102 reduced framework and chosen not to disclose a charity specific cash flow statement.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2023.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Prior period errors

During the audit it was determined that heritage assets had been incorrectly introduced therefore overstating fixed assets and reserves.

	Relating to the current period disclosed in these financial statements £	Relating to the prior period disclosed in these financial statements £	Relating to prior periods before the prior period disclosed in these financial statements £
Fixed assets	-	(214,660)	(215,961)
Unrestricted funds	-	-	-
Unrestricted funds brought forward	214,660	215,877	215,961
Other expenditure	-	(1,217)	-

The figures above for the current period reflect the changes to the opening reserves. Positive figures reflect a debit adjustment, negative figures a credit.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably.

All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, staff numbers.

Governance costs

These include costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website costs	3 years straight line

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Gym equipment	20%
ICT Equipment	33%
Plant and equipment	20% - 50%
Local history reference books	13%
Hardback books	14%
Paperback books	25%
Children's books	33%
Recordings, radio and visual	17%

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are recognised at transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Lines Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Pensions and other post retirement obligations

Retirement benefits to employees of the charitable company are provided by the East Riding Pension Fund (ERPF). This is a defined benefit scheme. The ERPF is a funded scheme and the assets are held separately from those of the charitable company in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to the operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs incurred. Net interest on the net defined benefit liability/ asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and the interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses. With effect from 1 April 2015 the scheme was frozen and no longer available to new employees.

From 1 July 2015 employees were able to join the defined contribution scheme with the People's pension. Contributions are expensed as they become payable.

Financial instruments

Classification

The charity only has financial assets and financial liabilities that qualify as basic financial instruments.

Recognition and measurement

Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value.

Fixed asset investments are measured at fair value, with gains and losses being recognised in the Statement of Financial Activities.

Investments

Investments in subsidiaries measured at cost less impairment.

Critical accounting estimates and areas of judgement

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

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	2,018	-	2,018
Grants, including capital grants;			
Government grants	-	139,260	139,260
Grants from other sources	60,000	62,575	122,575
Contract income	2,808,108	-	2,808,108
	<u>2,870,126</u>	<u>201,835</u>	<u>3,071,961</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	2,183	-	2,183
Grants, including capital grants;			
Government grants	363,747	462,444	826,191
Grants from other sources	196,333	80,437	276,770
Contract income	2,757,250	-	2,757,250
	<u>3,319,513</u>	<u>542,881</u>	<u>3,862,394</u>

Included within government grants are amounts amounting to £Nil (2022: £157,046) relating to the Coronavirus Job Retention Scheme, £Nil (2022: £206,700) relating to local government discretionary grants for Covid-19 closures, £129,260 (2022: £156,254) relating to local authority grants for running school holiday activities, £Nil (2022: £111,250) relating to local authority grants for Clinically Extremely Vulnerable funding, £Nil (2022: £97,000) relating to a grant from the local authority for the Wellness Hub, £Nil (2022: £53,850) relating to NKDC Riverlight Festival, £10,000 (2022: £22,507) relating to local authority grants for Tier 2 weight management programme and £Nil (2022: £21,584) relating to NEL Reshape Grant.

Lines Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Sports, fitness and leisure	3,898,865	392	3,899,257
Arts and attractions	89,632	2,381	92,013
Libraries and archives	35,628	-	35,628
	<u>4,024,125</u>	<u>2,773</u>	<u>4,026,898</u>
		Unrestricted funds General £	Total 2022 £
Sports, fitness and leisure		2,818,612	2,818,612
Arts and attractions		107,162	107,162
Libraries and archives		19,641	19,641
		<u>2,945,415</u>	<u>2,945,415</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £
Events income;		
Other events income	519	519
Retail sales income	118,202	118,202
Ticket sales	1,127,154	1,127,154
Food and beverage	1,014,103	1,014,103
Commissions on sale of merchandise	98,679	98,679
	<u>2,358,657</u>	<u>2,358,657</u>
	Unrestricted funds General £	Total 2022 £
Events income;		
Other events income	1,466	1,466
Retail sales income	133,162	133,162
Ticket sales	909,184	909,184
Food and beverage	773,873	773,873
Commissions on sale of merchandise	30,478	30,478
	<u>1,848,163</u>	<u>1,848,163</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

6 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income;		
Interest receivable on bank deposits	45,360	45,360
	<u>45,360</u>	<u>45,360</u>
	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	1,709	1,709
	<u>1,709</u>	<u>1,709</u>

7 Other income

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Income from trading subsidiary	48,168	57,754	105,922
Hire of facilities	32,537	-	32,537
Sundry income	263,631	-	263,631
	<u>344,336</u>	<u>57,754</u>	<u>402,090</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 As restated £
Income from trading subsidiary	31,922	39,737	71,659
Hire of facilities	40,410	-	40,410
Sundry income	155,513	-	155,513
	<u>227,845</u>	<u>39,737</u>	<u>267,582</u>

Lines Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

8 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Costs of goods sold	1,345,513	-	1,345,513
Other subsidiary costs	115,606	30,345	145,951
Depreciation, amortisation and other similar costs	32,688	31,527	64,215
Staff Costs	393,874	4,139	398,013
	<u>1,887,681</u>	<u>66,011</u>	<u>1,953,692</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Costs of goods sold	1,077,332	-	1,077,332
Other subsidiary costs	105,102	36,860	141,962
Depreciation, amortisation and other similar costs	32,911	19,771	52,682
Staff Costs	322,309	-	322,309
	<u>1,537,654</u>	<u>56,631</u>	<u>1,594,285</u>

9 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2023 £
Sports, fitness and leisure	3,792,325	858,235	4,650,560
Arts and attractions	1,499,297	225,807	1,725,104
Libraries and archives	1,274,042	231,640	1,505,682
	<u>6,565,664</u>	<u>1,315,682</u>	<u>7,881,346</u>
	Activity undertaken directly £	Activity support costs £	2022 £
Sports, fitness and leisure	3,304,927	826,685	4,131,612
Arts and attractions	1,481,108	255,324	1,736,432
Libraries and archives	996,676	431,062	1,427,738
	<u>5,782,711</u>	<u>1,513,071</u>	<u>7,295,782</u>

In addition to the expenditure analysed above, there are also governance costs of £49,254 (2022 - £51,197) which relate directly to charitable activities. See note 10 for further details.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

10 Analysis of governance and support costs

Support costs allocated to charitable activities

		Governance costs	Finance costs	Information technology	Staff costs	Administration costs	Premises costs including depreciation	Other support costs	Total
	Basis of allocation	£	£	£	£	£	£	£	2023
Sports, fitness and leisure	A	32,129	15,536	9,327	578,894	6,885	7,261	208,203	858,235
Arts and attractions	A	8,453	4,088	2,454	152,311	1,812	1,910	54,779	225,807
Libraries and archives	A	8,672	4,193	2,517	156,245	1,858	1,960	56,195	231,640
		<u>49,254</u>	<u>23,817</u>	<u>14,298</u>	<u>887,450</u>	<u>10,555</u>	<u>11,131</u>	<u>319,177</u>	<u>1,315,682</u>
		Governance costs	Finance costs	Information technology	Staff costs	Administration costs	Premises costs including depreciation	Other support costs	Total
	Basis of allocation	£	£	£	£	£	£	£	2022
Sports, fitness and leisure	A	31,886	11,110	8,750	549,277	5,864	36,142	183,656	826,685
Arts and attractions	A	9,848	3,431	2,703	169,646	1,811	11,163	56,722	255,324
Libraries and archives	A	9,463	3,297	2,597	163,015	1,740	197,661	53,289	431,062
		<u>51,197</u>	<u>17,838</u>	<u>14,050</u>	<u>881,938</u>	<u>9,415</u>	<u>244,966</u>	<u>293,667</u>	<u>1,513,071</u>

Basis of allocation

Reference	Method of allocation
A	Staff numbers

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Governance costs

	Unrestricted funds General £	Total 2023 £
Audit fees		
Audit of the financial statements	24,880	24,880
Other fees paid to auditors	9,975	9,975
Legal fees	14,399	14,399
	<u>49,254</u>	<u>49,254</u>
	Unrestricted funds General £	Total 2022 £
Audit fees		
Audit of the financial statements	22,619	22,619
Other fees paid to auditors	23,446	23,446
Legal fees	5,132	5,132
	<u>51,197</u>	<u>51,197</u>

11 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Operating leases - other assets	11,471	13,626
Audit fees	24,880	22,619
Other non-audit services	9,975	25,081
Loss on disposal of intangible fixed assets	1,250	-
Loss on disposal of tangible fixed assets	24,778	6,043
Depreciation of fixed assets	225,474	288,578
Amortisation of goodwill	<u>7,672</u>	<u>7,673</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	5,274,820	4,746,549
Social security costs	419,229	287,776
Pension costs	527,765	570,114
	<u>6,221,814</u>	<u>5,604,439</u>

The monthly average number of persons (including senior management team) employed by the group during the year expressed as a head count was as follows:

	2023 No	2022 No
Sport, Fitness & Leisure	312	285
Arts and Attractions	72	73
Libraries	45	48
Auditorium	74	57
Central management, maintenance and marketing	27	25
	<u>530</u>	<u>488</u>

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	1	-
£80,001 - £90,000	<u>1</u>	<u>1</u>

The total employee benefits, contract and service costs of the key management personnel of the group were £354,845 (2022 - £323,892).

13 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

14 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>24,880</u>	<u>22,619</u>
Other fees to auditors		
All other non-audit services	<u>9,975</u>	<u>23,446</u>

£4,840 (2022: £4,400) of the above amount was remuneration for the audit of the trading subsidiary

Lines Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

15 Taxation

The parent company is a registered charity and its activities are exempt from taxation. The trading subsidiary is subject to tax, and corporation tax of £nil is payable for the year ended 31 March 2023.

16 Intangible fixed assets

Group

	Website development £	Total £
Cost		
At 1 April 2022	23,018	23,018
Disposals	(5,940)	(5,940)
At 31 March 2023	17,078	17,078
Amortisation		
At 1 April 2022	12,152	12,152
Charge for the year	7,672	7,672
Eliminated on disposals	(4,690)	(4,690)
At 31 March 2023	15,134	15,134
Net book value		
At 31 March 2023	1,944	1,944
At 31 March 2022	10,866	10,866

Charity

	Website development £	Total £
Cost		
At 1 April 2022	23,018	23,018
Disposals	(5,940)	(5,940)
At 31 March 2023	17,078	17,078
Amortisation		
At 1 April 2022	12,152	12,152
Charge for the year	7,672	7,672
Eliminated on disposals	(4,690)	(4,690)
At 31 March 2023	15,134	15,134
Net book value		
At 31 March 2023	1,944	1,944
At 31 March 2022	10,866	10,866

Lines Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

17 Tangible fixed assets

Group

	Motor vehicles £	Plant and machinery £	Library books £	Total £
Cost				
At 1 April 2022	37,543	1,016,284	1,719,708	2,773,535
Additions	22,784	78,068	74,261	175,113
Disposals	<u>(14,850)</u>	<u>(52,337)</u>	<u>(58,445)</u>	<u>(125,632)</u>
At 31 March 2023	<u>45,477</u>	<u>1,042,015</u>	<u>1,735,524</u>	<u>2,823,016</u>
Depreciation				
At 1 April 2022	30,119	693,486	1,502,502	2,226,107
Charge for the year	949	112,081	112,444	225,474
Eliminated on disposals	<u>(7,425)</u>	<u>(37,039)</u>	<u>(56,390)</u>	<u>(100,854)</u>
At 31 March 2023	<u>23,643</u>	<u>768,528</u>	<u>1,558,556</u>	<u>2,350,727</u>
Net book value				
At 31 March 2023	<u>21,834</u>	<u>273,487</u>	<u>176,968</u>	<u>472,289</u>
At 31 March 2022	<u>7,424</u>	<u>322,798</u>	<u>217,206</u>	<u>547,428</u>

Charity

	Motor vehicles £	Plant and machinery £	Library books £	Total £
Cost				
At 1 April 2022	37,543	649,417	1,719,708	2,406,668
Additions	22,784	27,498	74,261	124,543
Disposals	<u>(14,850)</u>	<u>(45,589)</u>	<u>(58,445)</u>	<u>(118,884)</u>
At 31 March 2023	<u>45,477</u>	<u>631,326</u>	<u>1,735,524</u>	<u>2,412,327</u>
Depreciation				
At 1 April 2022	30,119	489,141	1,502,502	2,021,762
Charge for the year	949	47,866	112,444	161,259
Eliminated on disposals	<u>(7,425)</u>	<u>(30,291)</u>	<u>(56,390)</u>	<u>(94,106)</u>
At 31 March 2023	<u>23,643</u>	<u>506,716</u>	<u>1,558,556</u>	<u>2,088,915</u>
Net book value				
At 31 March 2023	<u>21,834</u>	<u>124,610</u>	<u>176,968</u>	<u>323,412</u>
At 31 March 2022	<u>7,424</u>	<u>160,276</u>	<u>217,206</u>	<u>384,906</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

18 Fixed asset investments

Group

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Lincs Inspire Venues & Enterprises (No. 10409947)	United Kingdom	Ordinary	100%	Provision of venue hire and facilities for performing arts

Subsidiaries

The turnover of Lincs Inspire Venues & Enterprises Limited was £1,685,776 whilst expenditure totalled £1,697,769. The profit/ loss of Lincs Inspire Venues & Enterprises Limited was therefore £11,993 loss and the aggregate amount of capital and reserves at the end of the period was £54,118.

Charity

	2023 £	2022 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2022	<u>1</u>	<u>1</u>
At 31 March 2023	<u>1</u>	<u>1</u>
Net book value		
At 31 March 2023	<u>1</u>	<u>1</u>
At 31 March 2022	<u>1</u>	<u>1</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

19 Stock

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Stocks	75,021	78,557	65,066	66,240

20 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	90,662	137,520	87,378	129,668
Due from group undertakings	-	-	14,518	332,349
Prepayments	102,136	74,772	99,853	73,401
Accrued income	74,441	42,108	72,909	42,108
Other debtors	588	1,172	588	953
	<u>267,827</u>	<u>255,572</u>	<u>275,246</u>	<u>578,479</u>

21 Cash and cash equivalents

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Cash at bank	2,368,738	2,059,026	2,118,910	1,377,388

22 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	181,222	232,818	141,043	198,225
Other loans	-	40,625	-	40,625
Other taxation and social security	186,106	136,791	186,106	136,791
Other creditors	1,889	1,631	1,889	1,631
Pension scheme creditor	38,277	35,906	38,277	35,906
Accruals	209,663	266,645	114,102	183,537
Deferred income	203,888	270,534	16,509	17,500
	<u>821,045</u>	<u>984,950</u>	<u>497,926</u>	<u>614,215</u>

On 31 March 2014 North East Lincolnshire Council loaned £325,000 to Lincs Inspire Limited repayable over a period of 9 years. The loan was made at the market interest of 4% other than in the event of the Bank of England base rate rising to 4.0% or above, at which point interest becomes repayable at 2% above the interest rate. In accordance with the revised agreement there was no principal repayment until financial year 2017/18. The effective interest method has been adopted to recognise and measure the financial liability.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Deferred income

	2023 £	2022 £
Group		
Deferred income at 1 April 2022	270,534	345,449
Resources deferred in the period	203,888	270,534
Amounts released from previous periods	<u>(270,534)</u>	<u>(345,449)</u>
Deferred income at year end	<u>203,888</u>	<u>270,534</u>

Deferred income relates to show income received in advance of £184,050, room hire bookings of £3,329, leisure direct debits received in advance of £14,443, skills fair income £1,700 and memberships £366.

	2023 £	2022 £
Charity		
Deferred income at 1 April 2022	17,500	7,139
Resources deferred in the period	16,509	17,500
Amounts released from previous periods	<u>(17,500)</u>	<u>(7,139)</u>
Deferred income at year end	<u>16,509</u>	<u>17,500</u>

Deferred income relates to leisure direct debits received in advance of £14,443, skills fair income £1,700 and memberships £366.

23 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Other				
Within one year	10,510	11,471	10,510	11,471
Between one and five years	<u>2,736</u>	<u>10,962</u>	<u>2,736</u>	<u>10,962</u>
	<u>13,246</u>	<u>22,433</u>	<u>13,246</u>	<u>22,433</u>

24 Provisions

Group

Deferred tax relates to differences between accumulated depreciation and capital allowances.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

25 Pension and other schemes

Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £194,862 (2022 - £180,077).

Defined benefit pension schemes

This scheme is a defined benefit scheme that is administered locally by East Riding Yorkshire Council, with the assets held in separate trustee-administered funds. The Charitable company and its employees pay contributions into a fund as noted below. The agreed contribution rates for future years are 21.2% for employers and between 5.5% and 9.9% for employees. Contributions are calculated at a level intended to balance the pension liabilities with investment assets.

The last relevant review by the Fund's actuary was at 31 March 2022. The actuary projected the results forward from this valuation to 31 March 2023 using approximate methods, and allowing for changes in financial assumptions.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

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

	2023	2022
	£	£
Fair value of scheme assets	11,584,000	11,151,000
Present value of defined benefit obligation	<u>(9,500,000)</u>	<u>(14,813,000)</u>
Defined benefit pension scheme surplus/(deficit)	<u><u>2,084,000</u></u>	<u><u>(3,662,000)</u></u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2023
	£
Present value at start of year	14,813,000
Current service cost	450,000
Interest cost	412,000
Actuarial gains and losses	(6,069,000)
Benefits paid	(173,000)
Contributions by scheme participants	<u>67,000</u>
Present value at end of year	<u><u>9,500,000</u></u>

Fair value of scheme assets

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

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	2023
	£
Fair value at start of year	11,151,000
Interest income	308,000
Return on plan assets, excluding amounts included in interest income/(expense)	(311,000)
Actuarial gains and losses	318,000
Employer contributions	224,000
Contributions by scheme participants	67,000
Benefits paid	(173,000)
Asset ceiling restriction	<u>(1,994,000)</u>
Fair value at end of year	<u><u>9,590,000</u></u>

Analysis of assets

The major categories of scheme assets are as follows:

	2023	2022
	£	£
Cash and cash equivalents	231,680	111,510
Equity instruments	8,340,480	8,140,230
Corporate bonds	1,969,280	1,895,670
Property	<u>1,042,560</u>	<u>1,003,590</u>
	<u><u>11,584,000</u></u>	<u><u>11,151,000</u></u>

Return on scheme assets

	2023	2022
	£	£
Return on scheme assets	<u>84,000</u>	<u>916,000</u>

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2023	2022
	%	%
Discount rate	4.75	2.75
Future salary increases	2.95	4.05
Future pension increases	<u>2.95</u>	<u>3.15</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Post retirement mortality assumptions

	2023 Years	2022 Years
Current UK pensioners at retirement age - male	21.00	21.00
Current UK pensioners at retirement age - female	24.00	24.00
Future UK pensioners at retirement age - male	22.00	22.00
Future UK pensioners at retirement age - female	<u>25.00</u>	<u>25.00</u>

26 Contingent liabilities

Group

A review is ongoing in respect of the historic treatment of National Insurance deductions and payments. The remedial work undertaken so far has established that a net liability will exist, though this cannot be reliably estimated at this stage.

Charity

A review is ongoing in respect of the historic treatment of National Insurance deductions and payments. The remedial work undertaken so far has established that a net liability will exist, though this cannot be reliably estimated at this stage.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

27 Funds

Group

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
<i>General</i>						
General fund	(2,232,022)	9,642,604	(9,529,693)	(582)	4,082,000	1,962,307
Restricted funds						
Restoration Levy Fund	221,153	57,755	(48,178)	-	-	230,730
Libraries Connected	2,643	1,000	(1,511)	-	-	2,132
Heritage Lottery Fund, On Our Street Project/Streets & Their Stories	10,793	-	(12,325)	-	-	(1,532)
Arts Council England, reading pictures, seeing stories	2,300	-	(2,314)	14	-	-
Arts Council England, The Albert room	-	27,355	(19,732)	-	-	7,623
The National Lottery Community Grant - 'Active Forever' Project	75,533	23,992	(49,409)	-	-	50,116
Lincs Inspire Wellness Hub Capital investment by Sport England and NELC	49,898	-	(11,656)	-	-	38,242
Theatres Trust - Theatre Reopening Fund	2,819	-	(940)	-	-	1,879
NKDC Riverlight Festival	1,802	-	(1,268)	(534)	-	-
NELC Tier 2 Weight Management Programme	12,630	10,000	(8,000)	2,000	-	16,630
NELC - Holiday Activity Fund	19,164	129,260	(114,010)	-	-	34,414
Junction Arts - Our Place	-	-	(702)	702	-	-
Clinically Extremely Vulnerable	111,250	-	(31,900)	(2,000)	-	77,350
Digital Society	880	-	-	-	-	880
The Mighty Creatives	-	3,000	(3,400)	400	-	-
Active Humber - Functional Zone	-	10,000	-	-	-	10,000
Total restricted funds	<u>510,865</u>	<u>262,362</u>	<u>(305,345)</u>	<u>582</u>	<u>-</u>	<u>468,464</u>
Total funds	<u>(1,721,157)</u>	<u>9,904,966</u>	<u>(9,835,038)</u>	<u>-</u>	<u>4,082,000</u>	<u>2,430,771</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds						
<i>General</i>						
General fund	(4,113,405)	8,342,645	(8,481,439)	(11,823)	2,032,000	(2,232,022)
Restricted funds						
Restoration Levy Fund	203,700	39,737	(34,107)	11,823	-	221,153
Libraries Connected	-	7,500	(4,857)	-	-	2,643
Active Lincolnshire - Tackling Inequalities	-	6,245	(6,245)	-	-	-
Heritage Lottery Fund, On Our Street Project/Streets & Their Stories	15,023	-	(4,230)	-	-	10,793
Arts Council England, reading pictures, seeing stories	-	2,300	-	-	-	2,300
The Arts Society Holland & Kesteven	240	-	(240)	-	-	-
LCC Community Collaboration Fund	3,496	-	(3,496)	-	-	-
The Reading Agency - Reading Friends	-	295	(295)	-	-	-
The National Lottery Community Grant - 'Virtual Lincs' Project	300	-	(300)	-	-	-
The National Lottery Community Grant - 'Active Forever' Project	28,534	52,650	(5,651)	-	-	75,533
Lincs Inspire Wellness Hub Capital investment by Sport England and NELC	70,000	97,000	(117,102)	-	-	49,898
Theatres Trust - Theatre Reopening Fund	3,759	-	(940)	-	-	2,819
NKDC Riverlight Festival	-	53,850	(52,048)	-	-	1,802
Active Lincolnshire - Wonder Walks	-	2,730	(2,730)	-	-	-
NELC Tier 2 Weight Management Programme	-	22,506	(9,876)	-	-	12,630
NELC - Holiday Activity Fund	-	156,254	(137,090)	-	-	19,164
Junction Arts - Our Place	-	3,750	(3,750)	-	-	-
NEL - Reshape Grant	-	21,584	(21,584)	-	-	-
Clinically Extremely Vulnerable	-	111,250	-	-	-	111,250
Digital Society	-	4,967	(4,087)	-	-	880
Total restricted funds	<u>325,052</u>	<u>582,618</u>	<u>(408,628)</u>	<u>11,823</u>	<u>-</u>	<u>510,865</u>
Total funds	<u>(3,788,353)</u>	<u>8,925,263</u>	<u>(8,890,067)</u>	<u>-</u>	<u>2,032,000</u>	<u>(1,721,157)</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Charity

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
<i>General</i>						
General fund	(2,145,228)	8,831,814	(8,622,486)	(582)	4,082,000	2,145,518
Restricted funds						
Libraries Connected	2,643	1,000	(1,511)	-	-	2,132
Heritage Lottery Fund streets and their stories fund	10,793	-	(12,325)	-	-	(1,532)
Arts Council England, reading pictures, seeing stories	2,300	-	(2,314)	14	-	-
Arts Council England, The Albert room	-	27,356	(19,733)	-	-	7,623
The National Lottery Community Grant - 'Active Forever' Project	75,533	23,992	(49,409)	-	-	50,116
Lincs Inspire Wellness Hub Capital investment by Sport England and NELC	49,898	-	(11,656)	-	-	38,242
NKDC Riverlight Festival	1,802	-	(1,268)	(534)	-	-
NELC - Tier 2 Weight Management Programme	12,630	10,000	(8,000)	2,000	-	16,630
Junction Arts - Our Place	-	-	(702)	702	-	-
Clinically Extremely Vulnerable	111,250	-	(31,900)	(2,000)	-	77,350
Digital Society	880	-	-	-	-	880
NELC - Holiday Activity Fund	19,164	107,646	(97,116)	-	-	29,694
The Mighty Creatives	-	3,000	(3,400)	400	-	-
Active Humber - Functional Zone	-	10,000	-	-	-	10,000
Total restricted funds	<u>286,893</u>	<u>182,994</u>	<u>(239,334)</u>	<u>582</u>	<u>-</u>	<u>231,135</u>
Total funds	<u>(1,858,335)</u>	<u>9,014,808</u>	<u>(8,861,820)</u>	<u>-</u>	<u>4,082,000</u>	<u>2,376,653</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds					
<i>General</i>					
General fund	(3,919,984)	7,118,842	(7,376,086)	2,032,000	(2,145,228)
Restricted funds					
Libraries Connected	-	7,500	(4,857)	-	2,643
Active Lincolnshire - Tackling Inequalities	-	6,245	(6,245)	-	-
Heritage Lottery Fund streets and their stories fund	15,023	-	(4,230)	-	10,793
Arts Council England, reading pictures, seeing stories	-	2,300	-	-	2,300
The Arts Society Holland & Kesteven	240	-	(240)	-	-
LCC Community Collaboration Fund	3,496	-	(3,496)	-	-
The Reading Agency - Reading Friends	-	295	(295)	-	-
The National Lottery Community Grant - 'Virtual Lincs' Project	300	-	(300)	-	-
The National Lottery Community Grant - 'Active Forever' Project	28,534	52,650	(5,651)	-	75,533
Lincs Inspire Wellness Hub Capital investment by Sport England and NELC	70,000	97,000	(117,102)	-	49,898
NKDC Riverlight Festival	-	53,850	(52,048)	-	1,802
NELC - Tier 2 Weight Management Programme	-	22,506	(9,876)	-	12,630
Junction Arts - Our Place	-	3,750	(3,750)	-	-
Clinically Extremely Vulnerable	-	111,250	-	-	111,250
Digital Society	-	4,967	(4,087)	-	880
Active Lincolnshire - Wonder Walks	-	2,730	(2,730)	-	-
NELC - Holiday Activity Fund	-	156,254	(137,090)	-	19,164
Total restricted funds	<u>117,593</u>	<u>521,297</u>	<u>(351,997)</u>	<u>-</u>	<u>286,893</u>
Total funds	<u>(3,802,391)</u>	<u>7,640,139</u>	<u>(7,728,083)</u>	<u>2,032,000</u>	<u>(1,858,335)</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

The specific purposes for which the funds are to be applied are as follows:

Restoration Levy – funds arising from a £1 ticket charge applied at Grimsby Auditorium with funds reinvested to improve customer comfort and enjoyment.

Libraries Connected – programme of complimentary events in statutory libraries.

Tackling Inequalities Fund – community dance programme for all ages and abilities.

Heritage Lottery Funding – (On Our Street Project/Streets & Their Stories) community based local history/reminiscence workshops and creative activities.

Reading Pictures Seeing Stories – Library project supporting visual literacy.

Arts Society Holland & Kesteven – funding to enable 10 children to undertake Discover Arts Awards.

LCC Community Collaboration Fund – funding to support value and impact assessment of creative arts participation.

Reading Friends Fund – funding to support connectivity with house bound library users during Covid restrictions.

National Lottery Community Fund – ‘Virtual Lincs’ programme provided online access to light exercise and crafts during Covid restrictions.

National Lottery Community Fund – ‘Active Forever’ supported capital and revenue investment to develop a Creative Hub to support community engagement post Covid 19.

Lincs Inspire Wellness Hub – includes capital grant funding contributions from Sport England and North East Lincolnshire Council, enabling the development of a new assisted exercise facility.

Theatres Trust - Theatre Reopening Fund - a contribution to automatic door entry at the Grimsby Auditorium.

The NKDC RiverLight Festival - was an event in March 2022 organised by the Hub in partnership with North Kesteven District Council using Government Welcome Back Funding and commissioned via Lincs Inspire.

Tier 2 Weight Management Programme - Public Health Funded programmes through NELC to support staff training and resource material.

Junction Arts Our Place - to support the show-casing of creativity during the COVID lockdown periods.

Clinically Extremely Vulnerable Fund - to support those with specific medical conditions who would be particularly vulnerable if they contracted COVID-19.

The Mighty Creatives - To explore and test different ways of working with creative digital technology to document and share the Hub's exhibitions.

Arts Council (Albert Room) - Supporting people at all stages of their lives to develop and increase their participation in a range of cultural activities such as creative writing, drama, sewing, spoken word events etc.

Active Humber (Functional Zone) - To support activity for those on low incomes, with disability & long-term health conditions.

Digital Society Steering Group - A fund to buy equipment to assist with the Library Digital Outreach project; improving ICT Skills within the local community.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Active Lincolnshire Wonder Walks - Funding to arrange & support 2 walks within our community.

Holiday Activity Fund - Funding for activities and meals during the school holidays for low income families within North East Lincolnshire.

NEL Reshape Grant - Capital support from Government fund administered by NELC to assist with business restarts following COVID lockdown periods.

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

28 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Intangible fixed assets	1,944	-	1,944
Tangible fixed assets	360,764	111,525	472,289
Current assets	2,354,647	356,939	2,711,586
Current liabilities	(821,045)	-	(821,045)
Provisions	(24,003)	-	(24,003)
Pension scheme liability	90,000	-	90,000
Total net assets	<u>1,962,307</u>	<u>468,464</u>	<u>2,430,771</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Intangible fixed assets	10,866	-	10,866
Tangible fixed assets	429,338	118,090	547,428
Current assets	2,000,380	392,775	2,393,155
Current liabilities	(984,950)	-	(984,950)
Provisions	(25,656)	-	(25,656)
Pension scheme liability	(3,662,000)	-	(3,662,000)
Total net assets	<u>(2,232,022)</u>	<u>510,865</u>	<u>(1,721,157)</u>

Charity

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Intangible fixed assets	1,944	-	1,944
Tangible fixed assets	278,425	44,987	323,412
Fixed asset investments	1	-	1
Current assets	2,273,074	186,148	2,459,222
Current liabilities	(497,926)	-	(497,926)
Pension scheme liability	90,000	-	90,000
Total net assets	<u>2,145,518</u>	<u>231,135</u>	<u>2,376,653</u>

Lincs Inspire Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	Unrestricted funds	Restricted funds	Total funds at 31 March 2022
	General £	£	£
Intangible fixed assets	10,866	-	10,866
Tangible fixed assets	323,352	61,554	384,906
Fixed asset investments	1	-	1
Current assets	1,796,768	225,339	2,022,107
Current liabilities	(614,215)	-	(614,215)
Pension scheme liability	(3,662,000)	-	(3,662,000)
Total net assets	<u>(2,145,228)</u>	<u>286,893</u>	<u>(1,858,335)</u>

29 Related party transactions

Group

Charity

During the year the charity made the following related party transactions:

Lincs Inspire Venues & Enterprises Limited

(100% owned subsidiary of Lincs Inspire Limited)

Recharges made from the subsidiary to the parent totalled £463,465 (2022: £457,745). The parent has also received a corporate gift aid payment of £72,720 during the year.

Recharges made from the parent to the subsidiary totalled £125,500 (2022: £112,590). At the balance sheet date the amount due from Lincs Inspire Venues & Enterprises Limited was £63,945 (2022 - £332,349).