

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	Mark Bowman, Chief Executive Sean Balmer, Trustee Derick Pattinson, Trustee George Beveridge, Chairman Elaine Flowers, Trustee (resigned 25 March 2022) Jane Wilding, Trustee Samuel Lyon, Trustee Ruth Harrison-Palmer, Trustee
Company registered number	04182567
Charity registered number	1179502
Registered office	Castle View Gillan Way Penrith 40 Business Park Penrith Cumbria CA11 9BP
Company secretary	David Brian Emerson
Chief executive officer	Mark Bowman
Independent auditors	Armstrong Watson Audit Limited Statutory Auditors Carlisle Cumbria CA1 1HP

INSPIRA CUMBRIA LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of Inspira Cumbria Limited for the year 1 April 2021 to 31 March 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

INTRODUCTION FROM THE CHAIR AND CHIEF EXECUTIVE

2021-22 has been a challenging, but ultimately successful year. Despite the continued COVID-19 restrictions during the period, particularly the first half of the year we have seen income return to pre- COVID-19 expected levels.

We have seen a major expansion in our employability work with successful implementation of the Government's Restart contract throughout Cumbria and Lancashire with new operating premises being opened in both Blackpool and Lancaster. We have also started new work offering employment support to ex-offenders.

The need for preparing people for the world of work, whether they are leaving education to make their first steps into employment or returning to work following a period of unemployment, has never been greater. Our traditional work of supporting individual beneficiaries has played a major role in helping businesses recruit the right staff in an incredibly challenging labour market. We are proud that our work to support over 26,000 beneficiaries has also supported over 530 businesses in the region.

Every year on behalf of Trustees, a full staff survey is carried out. This year the trustees were pleased that the results were very positive with 97% taking pride in working for Inspira and 98% finding their work worthwhile. We are delighted that we were able to bring the full staff team together for the first time in over 2 years at our (normally) annual conference.

The Trustees are proud of the activities carried out, and the diversity of work across an ever-growing range of communities. The review of activities provides detailed case studies of how we are meeting our charitable objects. The majority of our programmes are delivered as contracts via government departments, local authority or major prime contractors organisations (our major programmes). As an organisation we are big enough to offer scale and reliability but as a charity we are also able to work with smaller funding bodies to give as much added value as possible. This work is described in detail in the partnership section.

Our work as a charity is crucial, we are delighted that despite much of the year being under covid restrictions we continue to get great results. Looking to the future we are very much involved in developing new partnerships with both existing local authorities and newly forming unitary authorities. We will continue to forge partnerships with organisations who share our values and can ultimately help us help more people.

George Beveridge – Chair

Mark Bowman – Chief Executive

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Our major programmes at a glance

We are experienced in providing inspiring and powerful programmes to dynamically change an individual's life so that they are supported as they broaden their horizons and reach to achieve their potential.

The programmes we manage have a positive impact on people's lives:

The Key on behalf of Cumbria LEP via ESF

The Key offers skills support for adults in Cumbria who are unemployed and inactive in the labour market. Designed to match jobseekers with live local job opportunities, the programme aims to update and improve the skills of participants so that they can compete effectively in the labour market.

The Link on behalf of Cumbria LEP via ESF

Employer encounters are vitally important for all young people. Through The Link we have built a network of SME employers to work with young people across Cumbria to understand the world of work and the skills that are valued in the workplace.

Targeted Careers Information, Advice and Guidance (CIAG) on behalf of Cumbria County Council

Inspira has been commissioned by Cumbria County Council to provide careers information, advice and guidance, and support with progression planning to priority groups of young people. We also manage the September Guarantee to ensure all young people have a suitable offer of post-16 learning.

Lancashire Careers Hub on behalf of Lancashire County Council and the Careers and Enterprise Company

Lancashire Careers Hub is a collaboration of 154 secondary schools and colleges across the whole region who work together to deliver the Gatsby benchmarks. Collaborating with business partners, the public, education and voluntary sectors, they help improve careers outcomes for young people.

National Careers Service on behalf of ESFA through The Growth Company and Education Development Trust

National Careers Service provides careers information, advice and guidance, targeted at adults. We can help our clients to make decisions on learning, training and work at all stages of their career with enhanced support for priority groups.

Education, Training, Employment on behalf of MOJ via Maximus

ETE helps men on probation with gaining new skills, qualifications, training and funding or maintaining work. Our advisers provide a number of interventions in dividing mentoring, disclosure, advice and support with literacy and numeracy.

National Citizen Service on behalf of NCST and the Growth Company

National Citizen Service (NCS) is a government-backed programme delivered by Inspira in Cumbria, Lancashire and parts of the North East.

This unique programme was established in 2011 to tackle three key social issues, social cohesion, social engagement and social mobility. Taking place in the summer and autumn holidays, the programme focuses on fun and discovery, including 30 hours commitment to a community project that benefits both young people and society.

Launchpad on behalf of Cumbria LEP via ESF

Launchpad offers NEET young people aged 16-24 across Cumbria a range of personalised support, tailored development opportunities, experiences and encounters with employers to help them progress into mainstream labour market opportunities, education and apprenticeships.

Restart on behalf of DWP via G4S

The Restart Scheme offers Universal Credit claimants who have been out of work for at least 9 months and have multiple barriers to employment enhanced support to find jobs in their local area. This is achieved through personalised one to one support and bespoke employer engagement.

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FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities

a. Policies and objectives

Mission and Vision

Inspira works to connect people with education and employers.

Our mission is to empower young people and adults to help them reach their potential in life, work and society.

Our Values are

- Be Bold
- Be Resilient
- Be Relevant
- Show Respect
- Show Integrity

Our Objects

The Charity's objects are restricted specifically (in each case, only for the public benefit) to the following:

- To relieve unemployment in such ways as may be thought fit including assistance to find employment
- To help young people and adults advance in life through providing support and activities which develop
- To promote social inclusion by preventing people from being or becoming socially excluded, helping our usually excluded and assisting them to integrate into society. ("Socially excluded" means being excluded from society or parts of society as a result of unemployment, financial hardship, age, unlawful discrimination or poor educational or skills attainment).
- To advance education of people in such way as thought fit, including preparation for entry to any occupation, trade or profession
- To promote equality and diversity

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The Trustees have agreed a strategic planning framework based on the following principles:

- Size of charity
- What we deliver
- Where we deliver
- The capabilities and resources to deliver
- Sustainability

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c. Main activities undertaken to further the charity's purposes for the public benefit

Statement on Public Benefit

The Trustees have taken into consideration the Charity's Commission guidance on Public Benefit in preparing their statements on public benefit contained within this Trustees Annual Report.

Following its charitable objects, Inspira exists to help young people and adults reach their full potential, in work, life and society. The services, programmes and ultimately the benefits that Inspira can offer are chosen to help fulfil the mission.

Over the financial year covered by this report, the charity has worked with over 15,000 young people, helping them develop their skills capabilities and promoting social inclusion and cohesion. It has worked with over 6,000 adults providing advice and skills to unemployed people, advancing their education and preventing social isolation by providing assistance to find employment.

Trustees Assessment of Public Benefit

As well as overseeing the services and programmes the Charity delivers the Trustees scrutinise key elements of operations such as Safeguarding and Health and Safety, receiving reports at every trustees meeting.

The Trustees see a full range of performance indicators at every Trustees meeting which helps satisfy them that the charity is providing public benefit and achieving its charitable objects.

The full range of programmes that Inspira delivers provide crucial services to the communities that we work in. All programmes are carefully selected to ensure they meet the objects of the charity and provide added value to the beneficiaries.

With a growing geographical footprint the Trustees are confident that not only is Public Benefit being provided, it is being provided to a growing number of beneficiaries.

As well as overseeing the services and programmes the Charity delivers the Trustees scrutinise key elements of operations such as Safeguarding and Health and Safety, receiving reports at every trustees meeting.

Achievements and performance

a. Key performance indicators

Financial Review and Results for the Year:

The impact of Covid-19 on turnover has been significant with 19% of anticipated revenue lost. Through very close management and growth of other income streams the reduction has not resulted in a loss.

The Statement of Financial Activities shows total income of £5,463,267 (2021 £4,806,102) and total expenditure of £5,096,005 (2021 £4,227,960) leading to an operating surplus, for the 12 month period of £367,262.

b. Review of activities

Inspira's model of working is customer centric and encompasses a six pronged approach, with support adjusted depending on an individual's need or community led initiative.

As a charity working in the employability skills field, we are driven by our BOLD, RESILIENT and RELEVANT values.

We ensure young people and adults have access to and experience the working world and have the knowledge and skills to succeed. By doing this, we help build stronger, bolder local communities that are resilient to changes in the economy and relevant for the modern world and workplace.

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Practical Support:

Inspira's personal support is designed to equip people and adults with the skills they need to get their careers and education on track. This strand works in tandem with Inspira's other five areas of support.

Callum's Story

Since the COVID-19 pandemic some people are finding it difficult to gain employment, with many lacking in confidence, suffering from anxiety or social isolation. Inspira offers personal support that really makes a positive difference to their lives.

After struggling for some time to find full-time employment Callum got in touch with Inspira and was referred to Karen, one of our Employability Advisers at Blackpool.

It's fair to say Callum hadn't had the easiest starts in life. Together they identified and discussed his barriers to work. It was quickly recognised that his lack of confidence and negative mindset were key factors in preventing him from being successfully employed.

Callum was referred to Inspira's new Ready for Work programme - a four-day programme with an emphasis on building confidence; along with helping participants to develop and practice key workplace behaviours and qualities, such as team working, planning and communication.

As the days progressed Callum's confidence grew. As well as leading, he was able to take instructions and advice from other participants to help them complete challenges as a team. Having observed Callum's interaction with his peers, Employability Adviser, Emma took Callum aside and asked if he had ever considered work in the youth sector. Callum explained that working with young people and being in a job where he could positively influence other young people would be his dream. However, he felt this was unrealistic and out of reach to "someone like him".

With support from Karen and Emma, Callum got an interview for a role supporting young care leavers. They worked with Callum to make sure he was mentally and practically ready for the interview. Then, off he went.

"I knew from the first time I met Callum that there was huge potential there. It was my job to draw that out and support him to be the best possible version of himself. It wasn't always an easy journey but once he started to believe in himself, he took every opportunity to move forward not just into a job but a career." – Karen, Inspira Employability Adviser.

Callum got the job! He said that this would be life changing for him and his three young children and that he was so grateful for the collective support, advice and guidance he had received from Inspira. Going forward, Callum will receive in-work support.

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Max's story

Max was referred to the National Careers Service at our Barrow centre by a family member who had previously had an appointment. Max had recently moved to the area from the Midlands for a fresh start to get away from the drug culture that he was heavily involved in.

The appointment began by discussing Max's background and how he had made the decision to make changes in his life. He explained that he had been introduced to Class A drugs by his mother at the age of 13 and had tried to get support with his drug addiction, which was initially successful.

He achieved GCSEs at school and went on to get an apprenticeship in Electrical Engineering. Unfortunately, he was still living at home and mixing in the same circles which led to him using drugs again resulting in the loss of his apprenticeship.

With the support of other family members, he left home and moved away from these bad influences. He engaged with a local charity who run a recovery programme, but this didn't work out for Max, and he relapsed. Fortunately, he had strong support who identified a different rehabilitation programme which he felt met his needs.

When our adviser met with Max, he was one month into recovery and confident that this would be long term. He said that he wanted to find a job as he wanted to keep busy and take his mind off his addiction.

His skills were discussed, and he said that he wanted a practical job and didn't want a job sitting behind a desk. He had recently been helping a family member with a building project and thoroughly enjoyed this. His long-term goal was to be an Electrical Engineer and we discussed apprenticeship opportunities in the local area, and he was directed to the Find an Apprentice website.

Through the discussion Max recognised that he needed to take small steps to meet his long-term goal and successfully beat his addiction. He was offered the opportunity to attend the Key Programme that was linked to a Construction Skills Certification Scheme (CSCS) course. He was introduced to the course tutor to help him feel comfortable and to explain the course detail along with what would be expected in terms of attendance to give him the best possible chance of achievement.

Max attended the programme and successfully passed the course enabling him to apply for the CSCS card. He was introduced to recruitment agencies and local employers recruiting for labourers and with his new CV was able to apply for suitable vacancies.

After only a matter of weeks Max had successfully gained employment as a labourer with a local construction company working with the defence industry.

Max said:

"Coming to Inspira was possibly one of the best decisions I have made, all the staff are really kind really helpful and most of all understood my needs.

I really am progressing everyday towards my goals and having the life I only ever dreamt of at one point.

I cannot thank you enough."

*name changed for confidentiality

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Advice, Guidance and Action Planning:

As a leader in career management Inspira works with young people and adults to help them understand the careers available to them. By being embedded in our local communities, our team draw on local labour market intelligence and excellent relationships with educational institutions and employers to ensure people have the best chance of success in life and work.

The targeted careers information, advice and guidance contract (CIAG) on behalf of Cumbria County Council is a classic example of Advice, Guidance and Action planning in practice.

Getting your life back on track after a setback or a change can be challenging especially for young people. Inspira is well known for its work with young people. Our advisers are highly regarded for their patience and diligence, the relationship they build can really turn a young person's life around.

Work experience opportunity helps Arran decide on career path

Through Inspira, Arran, a young person looked after by the care system gained valuable work experience to help further his understanding and knowledge ready for a career in IT.

Arran is currently in year 12. His ambition is to go to university or perhaps apply for a higher or degree level apprenticeship. He is doing well in school, has already undertaken some voluntary work but also wanted to gain valuable work experience in a computer-related environment.

One of our Careers Advisers spent time with Arran to find out more about his future career ambitions and aspirations, and about his wants and needs from the work experience. It was important to narrow down what aspect of IT work he would like to pursue and explain that it might be problematic to find him a placement due to the specialist nature of the work.

However, working with The Link project and Cavendish Nuclear, a local employer partner who has supported Inspira in the past, we were able to secure him one week's work experience in their IT department.

Arran had paperwork to complete ahead of the placement so that the employer could fully understand his level of competence, we also worked with his school to ensure that this was completed on time to make certain Arran was successful in securing the placement.

Arran thoroughly enjoyed the work experience saying "Tony and Mark were great and were happy to help with anything that I struggled with. I have gained a greater understanding of how databases work and how to create reports from them. I would like to thank the team from Cavendish Nuclear for allowing me to do my work experience with them".

Opportunities for young people to learn from employers and discover the skills that are valued in the workplace and the career choices available are so vital. The work experience opportunity reaffirmed to Arran that his future career definitely lies within the IT sector.

*name changed for confidentiality.

As well as working in mainstream schools and colleges, activities have taken place in Pupil Referral Units (PRUs) and special schools. This work has been differentiated to take account of the needs of the young people in attendance. Employer volunteers have been carefully selected, for example, Disability Confident employers have been approached, and in West Cumbria staff have been recruited from the Sellafield site autism network. Work has been individualised to align with the interests of pupils which has been possible due to small group sizes compared to mainstream schools and colleges. A lot of work has been experiential in nature to allow pupils with poor concentration or communication to be able to engage and to stay involved. During COVID-19, online activities took place including employer talks and an careers evening for Special Educational Needs (SEN) school and college students.

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The differentiated activities with SEN and PRU pupils have ranged from specialist careers days and employer talks to mock interviews and animal handling.

The activities have been well received by students, educators and employers. We have opened the door to the world of work for some of the county's most vulnerable young people, it's an aspect of our work that we plan to further develop in the years ahead.

Work related experiences:

Work-related experiences are an essential step in the process to help people get ready for work and be successful at the interview stage. By providing inspirational, high-quality work-related experiences, Inspira has a significant impact on people's futures and changes people's lives.

Working with Inspira helps Kay secure dream job

Kay came to Inspira through the Launchpad programme for support regarding career opportunities as she had no formal qualifications or work experience, which were hindering her job search. Inspira referred Kay to a Skills and Development Adviser, Stevie, who offers 1:1 support for 16–24-year-olds.

After the initial meeting Stevie was able to offer Kay personalised and practical targets to complete, helping her with her future career plans and ambitions. Together they were able to develop her CV to ensure it was attractive to local employers.

Stevie then referred Kay to a Traineeship which allowed her to gain recognised Maths and English qualifications which are vital in today's job market. She was also able to improve her employability skills but most importantly it was a great chance for her to participate in a voluntary work placement whilst boosting her confidence.

After some reflection, Kay decided she'd like to go into the adult social care sector. Kay now had work experience which enabled her to attend an interview for a placement at a service for adults with additional needs and she was successful.

Through her work with Inspira, Kay had found a career path she was passionate about and felt like she had a purpose.

By the end of the three-month placement, Kay had made such an impression she was offered a position as a full-time Health Care Assistant. This is an amazing achievement, and we are all enormously proud of the progress she was able to make over a 4-month period.

"The support I have received throughout my time working with Inspira and my journey to employment has been great, I am thankful to all the Inspira Advisers who helped me feel I am a better person than I was just a few months ago."- Kay

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Personal development programmes:

Personal development is a critical component of Inspira's programmes, whether getting people ready for the working world or continuing their education or training. Activities cover awareness of and the ability to identify and develop talents, realising potential, dreams and aspirations.

For young people, Inspira delivers the National Citizen Service (NCS) on behalf of NCST and the Growth Company. NCS supports young people in learning and developing relevant skills that are required in the modern working world.

On NCS, young people develop and hone their confidence, leadership and independence through a structured programme to promote vital life skills. Through the programme, young people are given a unique opportunity to build employability skills, engage with many businesses and professionals and develop leadership skills through social action. As a central contributor to the development of NCS since 2011, Inspira delivers NCS in Cumbria, Lancashire, and Northumberland.

While 2020/21 was a little different, between July and December 2021, approximately 1000 young people in Cumbria, Lancashire and Northumberland were inspired into social action to help their local communities during the COVID-19 pandemic.

Combined, the young people contributed to over 8,000 hours of voluntary work and social action projects. Nation wide there was a target of one million hours of volunteering and social action.

Inspira continued to offer support through NCS as part of the School Support programme delivering programmes and activities for 16 and 17 year olds directly through their schools and colleges. The initiative enabled the education institutions to pick thematic sessions which helped young people with wellbeing, employability and post COVID socialisation.

Personal support:

Taxi Driver Recruitment Course

When people face challenging times in their lives, sometimes they need a combination of help, including practical support. The start of the COVID-19 pandemic saw many taxi drivers quit their jobs as demand for their services plummeted due to the hospitality and leisure industry shutting down and people staying at home. Many drivers opted to switch to high demand roles with delivery firms.

One city struck up a forward-thinking partnership to help get drivers back into cabs and help businesses bounce back. To help get drivers behind the wheels of Lancaster city taxis, a fully funded training initiative gave the area a welcome economic boost.

Lancaster City Council working in partnership with Inspira, Lancaster & Morecambe College (LMC), and others funded free practical help and advice to help drivers start, or restart, their careers as taxi drivers.

The free Taxi Recruitment Course, which is also supported by the Department for Work and Pensions, offered drivers fully funded support with DBS checks, medical, advanced driving test, licence fees and providing help with CV writing and applications for vacancies.

"By working in partnership with Inspira to encourage people to take up a career in the industry with both financial help as well as support from our licensing team to guide recruits through the application process, the initiative has started to show signs of being a success and one where everyone genuinely wins." - Councillor Colin Hartley, Chair of Lancaster City Council's Licensing Committee.

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Increased engagement in the community:

Our Future Virtual Careers Fair

Inspira is strongly engaged in the local communities where the Charity operates. As part of the Charity's employer engagement work during the pandemic, and in partnership with Cumbria Careers Hub and Hello Future, Inspira organised an online careers fair: Our Virtual Careers Fair.

During the COVID-19 pandemic most of the year 11 students in Cumbria missed out on the opportunity to engage directly with a variety of apprenticeship providers, FE & HE provision and employers from various sectors in the county. Inspira was determined not to see this happen again this year and made the decision to host a virtual careers fair which would go ahead despite of the COVID-19 situation.

The Our Future Virtual Careers Fair took place in October 2021, aimed predominantly at Year 11 students to help them make informed choices about their future careers and their next steps. It gave them the exciting opportunity to meet employers, training providers, colleges, sixth forms and Cumbria FE and HE provisions all in one place.

Attendees had the chance to meet over 85 exhibitors and the opportunity to network through live or video chat, discuss opportunities and attend live talks.

The Careers Fair had five main zones: apprenticeship and training providers, Higher and Further provision, sixth forms, employers, and a careers area where young people and their parents/carers could access impartial careers information, advice and guidance. The attendees also had the opportunity to attend three live talks.

The virtual event was a huge success attracting over 2000 participants from around the county. It's hard to think of any other event (live or virtual) that has had the ability to facilitate communication between year 11 students and employers, providers and FE/HE provision from all corners of Cumbria in one place.

Lancashire Careers Hub

Lancashire Careers Hub Team responded to the challenge engaging partners, business networks, employers and stakeholders to ensure young people continued to benefit from inspirational virtual employer encounters and as restrictions eased throughout the year face to face encounters resumed.

In November 2021, Lancashire Careers Hub held its Career Leader conference on-line with over 100 delegates including career leaders and volunteer employer Enterprise Advisers all hearing about the plans for the year.

Inspira's newly appointed Employer Engagement Enterprise Coordinator has strengthened the relationship with Business Networks across Lancashire. Business Networks are communicating the work of the Lancashire Careers Hub to their members. This has resulted in an increase in employers pledging to become an Enterprise Adviser and Giving an Hour to support Employer Encounters in Schools.

Dr Michele Lawty-Jones, director of the Lancashire Skills and Employment Hub, which supports the work of the Lancashire Enterprise Partnership and the 15 local authorities across Lancashire, said: "The Lancashire Careers Hub is really important for our economy and social mobility of our young people. In terms of the economy and working with our businesses it is providing a talent pipeline to support them to grow and flourish."

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Personal Development programmes

Keep Doing Good

Personal development is a critical component of Inspira's programmes, whether getting people ready for the working world or continuing their education and training. Activities cover awareness of and the ability to identify and develop talents, realising potential, dreams and aspirations.

Our NCS programs had to be adapted for a second successive year due to the impact of the COVID-19 pandemic however this did not stop young people saying "No We Can" to NCS. Between July and December, approximately 1000 young people in Cumbria, Lancashire and Northumberland were inspired into action by the challenges faced in our communities during the COVID-19 pandemic.

In a fantastic effort, the young people contributed towards a total of over 8,000 hours of voluntary work and social action projects.

With a second year of their efforts being affected by COVID-19, many young people in Cumbria, Lancashire and Northumbria were again looking for ways to step up and support their local communities.

Getting involved in a huge variety of sustainable and meaningful projects, the young people cleaned up parks and community gardens, picked up litter on beaches and in woodland, helped charity shops with their post-COVID-19 donations and raised money for local causes across the Inspira delivery areas.

When schools returned in September, Inspira was able to repeat its offer of support through NCS as part of the NCS national School Support Programme delivering shorter interventions to schools that were designed to support young people re-engage with their schools and colleges.

The initiative enabled schools and colleges to give additional support to young people who had lost their confidence and ability to socialise with their peers and generally offer support to those young people who were struggling with their wellbeing and mental health. Sessions focused on employability and post COVID-19 socialisation was also part of the offer that the NCS teams were able to make. We are delighted that we are now able to deliver NCS in residential settings (Summer '22).

c. Defined benefit pension scheme

The charity operates a funded defined benefit pension scheme. The effect of compliance with financial reporting standard FRS102 in relation to the defined benefit scheme is disclosed in Note 23 to the financial statements. The annually calculated notional surplus or deficit on the funding of the scheme is designated in the financial statements as a defined benefit pension scheme asset or liability which is added to or deducted from Net Assets in the balance sheet.

An actuarial review carried out as at 31st March 2022 shows the market value of the assets of the scheme to be £33,256 million and the present value of the liabilities £33,942 million. The net deficit or liability on the scheme of £0.686 million is a statement of the transient situation as at 31st March 2022 and the Trustees recognise that this can swing notably in response to market forces and the actuarial assumptions made.

The Trustees continue to consider the impact of this liability on future cashflows and on reserves but believe that it will be funded from the Charity's normal activities. Whilst there is no immediate impact on available cashflows and therefore on the Reserves Policy, the Trustees regularly consider the matter in committee and board meetings and when deemed appropriate, seek external professional advice to ensure that the Charity and its Trustees comply with all legal and associated requirements. Therefore, its effect has been disregarded in the rest of this report.

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d. Investment policy and performance

In the current economic climate investment returns are limited and the Charity continues to generate bank interest through its interest bearing account held with its bank. The Charity has no other financial investments held in stock market or banking related products. The Charity owns its head office premises.

e. Factors relevant to achieve objectives

Our People:

Inspira has a committed staff team and they have shown great relevance and resilience over the past 12 months. The Board of Trustees regularly receive reports and presentations about the projects the charity delivers and sees them at first hand from time to time. Once again, they wish to place on record their appreciation for the hard work and dedication shown by the team.

It was particularly good to be able to bring the full team together this year. It had been over two years since we had been able to have what is normally our annual staff conference. The past two conferences have been virtual, and whilst they were successful, the energy and motivation in the room showed the impact of bringing the team together. But we have learnt that a digital conference can work and moving forward not only will we have our annual in-person conference but also an annual virtual 'get together', meaning the full team can come together twice a year. At the conference, as well as celebrating the great work and focussing on plans for the future we were delighted to launch a new staff benefits package designed to give added benefits to the Inspira team with access to everyday savings ranging from supermarket discounts, cheaper petrol and everyday cost of living savings. It's a real time where we need to do everything we can to look after our staff as well as our beneficiaries.

Once again, the Trustees were delighted with the results of the annual staff survey. The headlines being 97% of the team felt they were kept up to date with developments and strategy. 98% are satisfied and think their work is worthwhile and 97% take pride in working for Inspira.

As well delivering programmes, we also use them too. Through Kickstart we offered Joe a placement in our Carlisle office. This was his first office-based role, and he was very nervous and lacked confidence in his own abilities. Joe had a lot to learn about what working in an office was really like but with help and support including accredited training including first aid, safeguarding and mental health awareness along with hard work he soon progressed.

In November 2021, Inspira offered Joe permanent full-time employment, and is now an integral part of the team with a great future ahead of him.

Joe said, "I love working with Inspira and the team in Carlisle. It is so much more than just sitting at a computer; every day is different. I feel like a totally different person. I am much more confident, I have learned so many new skills and am very grateful for the opportunity I have been given, and Kickstart did that for me."

Partnerships

The Trustees regularly review the charity's approach to stakeholder engagement and to deliver maximum impact to its beneficiaries. The charity works hard to develop and sustain productive partnerships. We work very closely with both County Councils, unitary authorities and district councils across both the Cumbria and Lancashire Local Enterprise Partnership footprints as well as the Local Enterprise Partnerships themselves. This involves both contractual and non contractual work. We have welcomed the new partnerships that have developed in the North East.

We work in partnership with schools, colleges and other parties such as Job Centre Plus to deliver a whole range of services. We have partnerships to deliver contracts such as National Citizen Service with the National Citizen Service Trust and the Growth Company and the National Careers Service with The Growth Company and The Education Development Trust.

We work with a number of third sector organisations, employer bodies and community foundations.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

a. Going concern

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

b. Reserves policy

Inspira needs free reserves to enable it to fulfil its charitable obligations and commitments that it enters into. The charity also requires reserves to ensure continuance of these obligations in the event of any unexpected revenue shortfall.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets. Free reserves should not be mistaken for cash reserves.

Inspira's policy in the long term is to aim to hold reserves equal to not less than three months normal running costs. The directors/trustees believe that the reserves should be built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable objectives. The charity's short term objective is to ensure that the combination of cash and realisable fixed assets is sufficient to meet current and anticipated obligations.

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 21 March 2018.

The charity is constituted under a Memorandum of Association dated 21 March 2018 and its registered charity number is 1179502.

Every member undertakes to contribute an amount not exceeding £1 in the event of the Charity being wound up. As at 31st March 2022 the charity had 11 members, the individuals who are the Trustees and:

- Cumbria County Council
- Cumbria Youth Alliance
- University of Cumbria
- Cumbria Chamber of Commerce

The charity was incorporated on 19 March 2001 and commenced trading on that date.

There have been no changes in the objectives since the last annual report.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association. Potential Trustees are identified by partner organisations or serving directors/trustees and have the necessary skills and experience to complement the current Board.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

c. Policies adopted for the induction and training of Trustees

On appointment each new director/trustee receives an induction pack which outlines the role and responsibilities of becoming a director/trustee to the organisation, terms and conditions of the appointment, background details of the Charity and information relating to the conduct of the Board, including matters reserved, standing orders and specific policies and procedures.

The Board carries out a performance review every year and has incorporated the findings into its work plan.

d. Pay policy for senior staff

The remuneration of key management personnel is agreed by the Remuneration Committee, a subcommittee of the People and Performance Committee. The pay policy for senior staff is based on industry benchmarks. The Chair of the Board is responsible for the Chief Executive's performance development review and the Board determine an annual pay review, with the employment contract and policies of the organisation.

e. Organisational structure and decision making

The Company was established in March 2001 (Connexions Cumbria Limited). It rebranded, by special resolution in January 2012 to Inspira Cumbria Limited, trading as Inspira. In August 2018 we became a registered charity.

The Chief Executive, under the delegation from the Board is responsible for the day to day management of the Company. The Senior Management Team is comprised of the CEO, two delivery Directors, head of employability and Chief Financial Officer. The responsibility of the SMT is to manage and develop the Company as effectively as possible.

The Board of Trustees meets at least six times a year. The Chair is a non executive chosen by the Board. Committees have delegated authority to review business areas such as Finance and Growth, People and Performance and related areas. Committees meet at least three times a year.

f. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Senior management monitors the key risks on a day to day basis and assesses the controls used for managing those risks. The Board formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the Charity are as follows:

- Loss of main contracts due to change in government policy, competition, poor performance
- Reputational damage/factors affecting business continuity
- Technological issues – resilience of telecommunications and IT infrastructure and the pace of change affecting the wider business environment
- Loss of key personnel
- Major incident relating to the Safeguarding of staff or beneficiaries
- Inability to implement new contracts

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Future development and response to Covid 19 pandemic

The charity has a main aim of supporting as many people as possible to reach their full potential. This remains the key driver but we are acutely aware that to achieve this we must maintain and improve financial sustainability. Strategic plans are in place to help this happen which include growth, both geographically and in the charitable activities that we deliver.

In May 2022 the Trustees agreed the framework for a refreshed 5 year strategy. Based on the success of the previous strategy it will cover

- Size of charity
- Services and products
- Geography
- Resources and capabilities to deliver
- Sustainability

Plans for future periods

2021-22 has shown that the demand for our services remains high across a growing geographical footprint with a range of commissioners. We feel that we will continue to offer relevant solutions in an ever changing political and economic landscape. We will continue to deliver our existing work through 2022-23 and are actively pursuing further opportunities and partnerships as new funds such as UK Shared Prosperity Fund become available. We will also work closely with both existing local authorities and the newly formed unitary authorities.

Future Public Benefit

The unprecedented events of covid have led to a rapidly changing labour market. This has led to an unprecedented demand for employability services from both a beneficiary and employer perspective. We have seen a growth in the number of beneficiaries we support and we expect this to continue to grow.

The Trustees will ensure that the Charity continues to benefit the public by providing strong governance and the Senior Management Team will provide strong management responding where appropriate to any requirements laid down by the Charity Commission.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity 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).

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 charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mr M Bowman
Trustee
Date: 30th September 2022

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRA CUMBRIA LIMITED

Opinion

We have audited the financial statements of Inspira Cumbria Limited (the 'charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRA CUMBRIA LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRA CUMBRIA LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we assessed the extent of compliance with the laws and regulations identified as key to the entity through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- reviewing the key areas of the financial statements most susceptible to fraud whilst tailoring our audit plans.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRA CUMBRIA LIMITED (CONTINUED)

- assessed whether judgements and assumptions made in determining the accounting estimates, such as the defined benefit pension and investment property valuations were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with the funding bodies and the charity's legal advisors;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joanna Gray (Senior statutory auditor)
for and on behalf of
Armstrong Watson Audit Limited
Statutory Auditors
Fairview House

Date: 7-10-2022

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>As restated Total funds 2021 £</i>
	Note				
Income from:					
Donations and legacies		-	-	-	100,000
Charitable activities	4	5,343,013	61,023	5,404,036	4,366,766
Investments	5	18,204	-	18,204	27,930
Other income	6	41,027	-	41,027	311,406
Total income		<u>5,402,244</u>	<u>61,023</u>	<u>5,463,267</u>	<u>4,806,102</u>
Expenditure on:					
Charitable activities	7	5,019,634	76,371	5,096,005	4,227,960
Total expenditure		<u>5,019,634</u>	<u>76,371</u>	<u>5,096,005</u>	<u>4,227,960</u>
Net movement in funds before other recognised gains/(losses)		382,610	(15,348)	367,262	578,142
Other recognised gains/(losses):					
Defined benefit pension scheme		2,885,000	-	2,885,000	(1,028,000)
Net movement in funds		<u>3,267,610</u>	<u>(15,348)</u>	<u>3,252,262</u>	<u>(449,858)</u>
Reconciliation of funds:					
Total funds brought forward		(2,399,785)	23,652	(2,376,133)	(1,926,275)
Net movement in funds		3,267,610	(15,348)	3,252,262	(449,858)
Total funds carried forward		<u>867,825</u>	<u>8,304</u>	<u>876,129</u>	<u>(2,376,133)</u>

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

The notes on pages 26 to 48 form part of these financial statements.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 04182567

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	473,344	454,380
Investment property	13	350,000	350,000
		<u>823,344</u>	<u>804,380</u>
Current assets			
Debtors	14	794,765	473,536
Cash at bank and in hand		1,394,769	1,060,397
		<u>2,189,534</u>	<u>1,533,933</u>
Creditors: amounts falling due within one year	15	(1,382,278)	(863,878)
Net current assets		<u>807,256</u>	<u>670,055</u>
Total assets less current liabilities		<u>1,630,600</u>	<u>1,474,435</u>
Creditors: amounts falling due after more than one year	16	(68,471)	(218,568)
Net assets excluding pension liability		<u>1,562,129</u>	<u>1,255,867</u>
Defined benefit pension scheme liability	23	(686,000)	(3,632,000)
Total net assets		<u><u>876,129</u></u>	<u><u>(2,376,133)</u></u>
Charity funds			
Restricted funds:			
Restricted funds	18	8,304	23,652
Unrestricted funds			
Unrestricted funds excluding pension	18	1,553,825	1,232,215
Pension reserve	18	(686,000)	(3,632,000)
Total unrestricted funds	18	<u>867,825</u>	<u>(2,399,785)</u>
Total funds		<u><u>876,129</u></u>	<u><u>(2,376,133)</u></u>

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 04182567

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr M Bowman

Trustee

Date: 30th September 2022

The notes on pages 26 to 48 form part of these financial statements.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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

	2022 £	<i>As restated</i> 2021 £
Cash flows from operating activities		
Net cash used in operating activities	520,906	96,328
Cash flows from investing activities		
Dividends, interests and rents from investments	18,460	28,216
Purchase of tangible fixed assets	(59,963)	(2,293)
Net cash (used in)/provided by investing activities	(41,503)	25,923
Cash flows from financing activities		
Repayments of borrowing	(145,031)	(25,928)
Net cash used in financing activities	(145,031)	(25,928)
Change in cash and cash equivalents in the year	334,372	96,323
Cash and cash equivalents at the beginning of the year	1,060,397	964,074
Cash and cash equivalents at the end of the year	1,394,769	1,060,397

The notes on pages 26 to 48 form part of these financial statements

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Inspira Cumbria 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.

1.2 Company status

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

1.3 Going concern

At the balance sheet date, the charity had net current assets of £807,256, net assets of £876,129 and a strong cash position of £1,394,769.

Included in the net asset amount is a defined benefit pension liability of £686,000 (2021 - £3,632,000). The balance sheet position has significantly improved in 2022 and the net assets excluding the pension liability is £1,562,129 at the year end. The charity has made a surplus of £367,262.

The trustees have reviewed the financial position together with the post year end performance of the charity, and have deemed the going concern basis appropriate. Management and the trustees continue to monitor the cash position, and have confirmed that there is sufficient cash to pay liabilities as they fall due for at least 12 months from signing these financial statements.

1.4 Income

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 income receivable can be measured reliably.

Grants are received from donors and other sponsors. For those that are to fund specific projects, these are held as restricted funds. Where a project is not finished within the financial year, the balance of grants, net of expenditure to date, is carried forward as restricted funds.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.6 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

During the year, the Charity made use of rental holidays afforded to them by the Lessors of several rented office premises. The rental expense recognised in the accounts includes all reductions.

1.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.8 Interest income

Interest income is recognised in the Statement of financial activities using the effective interest method.

1.9 Finance costs

Finance costs are charged to the Statement of financial activities over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.10 Borrowing costs

All borrowing costs are recognised in the Statement of financial activities in the year in which they are incurred.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Pensions

Defined contribution pension plan

The charity operates a defined contribution pension scheme for certain employees and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Defined benefit pension plan

The charity operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a finance expense'.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

1. Accounting policies (continued)

1.13 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 40 years
Leasehold improvements	- in line with the lease term
Computers	- 3 years
Equipment	- 3 years

1.14 Investment property

Investment property is carried at fair value reviewed by the directors annually. The directors have engaged with a professional surveyor to help them to assess the fair value at the balance sheet date. The value is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

1.15 Debtors

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

1.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.17 Provisions for liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

1.18 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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FOR THE YEAR ENDED 31 MARCH 2022**

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

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.

Defined benefit pension liability

The present value of the 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 23, will impact the carrying amount of the pension liability. Results from the actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at the balance sheet date.

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

3. Income from donations and legacies

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	100,000	100,000

4. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
CIAG (Cumbria County Council)	1,044,544	-	1,044,544
National careers service (ESFA)	403,815	-	403,815
NEET prevention and reduction (DWP)	328,074	-	328,074
Enterprise adviser network (CEC/Lancs LEP)	581,674	-	581,674
The Key (ESFA)	704,619	-	704,619
NCS 2022	148,589	-	148,589
NCS 2020 (NCS Trust)	14,799	-	14,799
NCS 2021	951,937	-	951,937
Restart (G4S)	514,490	-	514,490
The Link (DWP)	345,232	-	345,232
Other contracts (Various)	305,240	61,023	366,263
Total 2022	5,343,013	61,023	5,404,036

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

4. Income from charitable activities (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
CIAG (Cumbria County Council)	1,044,544	1,044,544
NCS 2019 (NCS Trust)	1,258,815	1,258,815
NCS 2018 (NCS Trust)	121,223	121,223
National Careers service (ESFA)	553,512	553,512
Enterprise adviser network (CEC/Lancs LEP)	527,220	527,220
The Key (ESFA)	639,708	639,708
Other contracts (various)	221,744	221,744
<i>Total 2021</i>	<u>4,366,766</u>	<u>4,366,766</u>

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	<u>18,204</u>	<u>18,204</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	<u>27,930</u>	<u>27,930</u>

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

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £
Other income	40,771	40,771
Interest receivable	256	256
	<u>41,027</u>	<u>41,027</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Other income	311,120	311,120
Interest receivable	286	286
	<u>311,406</u>	<u>311,406</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Direct costs	<u>5,019,634</u>	<u>76,371</u>	<u>5,096,005</u>

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Direct costs	<u>4,151,612</u>	<u>76,348</u>	<u>4,227,960</u>

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs	4,442,287	653,718	5,096,005

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs	3,631,412	596,548	4,227,960

Analysis of direct costs

	Direct Costs - Direct Act 2022 £	Total funds 2022 £
Net pension finance costs	78,000	78,000
Wages and salaries	3,633,403	3,633,403
Pension cost	39,000	39,000
Subcontractor costs	244,129	244,129
Recruitment and staff training	85,538	85,538
Travel and motor expenses	72,471	72,471
Vehicle leasing charges	882	882
Advertising, conventions and shows	39,075	39,075
Bank charges	2,147	2,147
Property costs	207,580	207,580
Meeting room hire and refreshments	40,062	40,062
	4,442,287	4,442,287

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Direct Costs - Direct Act 2021 £</i>	<i>Total funds 2021 £</i>
Net pension finance costs	63,000	63,000
Wages and salaries	3,012,819	3,012,819
Pension cost	26,000	26,000
Subcontractor costs	260,325	260,325
Recruitment and staff training	37,960	37,960
Travel and motor expenses	20,201	20,201
Vehicle leasing charges	3,128	3,128
Advertising, conventions and shows	28,634	28,634
Bank charges	1,564	1,564
Property costs	175,389	175,389
Meeting room hire and refreshments	2,392	2,392
	<u>3,631,412</u>	<u>3,631,412</u>

Analysis of support costs

	Support Costs 2022 £	Total funds 2022 £
Wages and salaries	93,026	93,026
Depreciation	41,000	41,000
Office expenses	206,967	206,967
Interest payable	4,643	4,643
Audit and accountancy fees	15,336	15,336
Legal fees	50,564	50,564
Trade subscriptions	18,131	18,131
Sundry expenses	171,916	171,916
Irrecoverable VAT	52,135	52,135
	<u>653,718</u>	<u>653,718</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Direct Costs 2021 £</i>	<i>Total funds 2021 £</i>
Wages and salaries	91,545	91,545
Depreciation	33,449	33,449
Office expenses	218,893	218,893
Interest payable	7,785	7,785
Audit and accountancy fees	9,600	9,600
Legal fees	33,108	33,108
Trade subscriptions	11,112	11,112
Sundry expenses	135,747	135,747
Irrecoverable VAT	55,309	55,309
	<u>596,548</u>	<u>596,548</u>

9. Auditors' remuneration

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	10,000	7,000
Fees payable to the charity's auditor in respect of: All non-audit services not included above	3,550	1,980

10. Staff costs

	2022 £	2021 £
Wages and salaries	3,271,944	2,582,531
Social security costs	271,180	219,667
Contribution to pension schemes	183,305	302,166
	<u>3,726,429</u>	<u>3,104,364</u>

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

10. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

	2022	<i>2021</i>
	No.	<i>No.</i>
Employees	133	<i>110</i>

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

	2022	<i>2021</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	<i>2</i>
In the band £90,001 - £100,000	1	<i>1</i>

Key management personnel for the year was comprised of 5 people (2021 - 4). The aggregate remuneration of key management personnel in the year was £413,130 (2021 - £344,735).

11. Trustees' remuneration and expenses

No trustees received payment for their role as a Trustee.

One trustee received remuneration amounting to £93,026 in the current year (2021 - £92,302) for their services as Chief Executive Officer.

During the year ended 31 March 2022, no expenses were reimbursed to trustees for their role as a trustee.

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Tangible fixed assets

	Freehold property £	Long-term leasehold property improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2021	473,951	213,767	75,141	313,934	1,076,793
Additions	-	-	5,116	54,847	59,963
At 31 March 2022	<u>473,951</u>	<u>213,767</u>	<u>80,257</u>	<u>368,781</u>	<u>1,136,756</u>
Depreciation					
At 1 April 2021	66,048	186,420	75,141	294,804	622,413
Charge for the year	10,578	5,475	935	24,011	40,999
At 31 March 2022	<u>76,626</u>	<u>191,895</u>	<u>76,076</u>	<u>318,815</u>	<u>663,412</u>
Net book value					
At 31 March 2022	<u>397,325</u>	<u>21,872</u>	<u>4,181</u>	<u>49,966</u>	<u>473,344</u>
At 31 March 2021	<u>407,903</u>	<u>27,347</u>	<u>-</u>	<u>19,130</u>	<u>454,380</u>

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

13. Investment property

	Freehold investment property £
Valuation	
At 1 April 2021	350,000
At 31 March 2022	<u>350,000</u>

The fair value is based on the valuation undertaken by Hyde Harrington, a firm of Chartered Surveyors which was received in March 2022.

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	340,119	117,495
Other debtors	403,852	333,277
Prepayments and accrued income	50,794	22,764
	<u>794,765</u>	<u>473,536</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	28,970	25,929
Trade creditors	65,557	53,063
Other taxation and social security	270,346	107,526
Other creditors	32,552	26,111
Accruals and deferred income	984,853	651,249
	<u>1,382,278</u>	<u>863,878</u>

Secured loans

Bank loans falling due within one year of £28,970 (2021 - £25,929) are secured via the following:

- 1) A fixed charge over all present freehold, leasehold and investment property. This comprises a fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future and a floating charge over all assets and undertakings both present and future.
- 2) There is also a first legal charge over freehold property known as Unit 2, Gillan Way, Penrith 40 Business Park, Penrith, CA11 9BP.

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

16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	68,471	218,568

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Bank loans	68,471	53,942
Between two and five years		
Bank loans	-	87,914
Over five years		
Bank loans	-	76,712

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022 £	2021 £
Repayable by instalments	-	76,711
	-	76,711

Secured loans

Bank loans falling due after more than one year of £68,471 (2021 - £218,568) are secured via the following:

- 1) A fixed charge over all present freehold, leasehold and investment property. This comprises a fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future and a floating charge over all assets and undertakings both present and future.
- 2) There is also a first legal charge over freehold property known as Unit 2, Gillan Way, Penrith 40 Business Park, Penrith, CA11 9BP.

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

17. Prior year restatement

During the current year the settlements relating to members transferring out of the defined benefit pension scheme were settled. In the previous year the amounts expected for these settlement were reflected through the income statement, however upon review of the treatment and understanding the underlying assets and liabilities for this settlement, the trustees are of the opinion that these settlements should have been recognised throughout the other comprehensive income statement in the previous year.

As a result expenditure has increased by £164k to £4,228k, and the profit for the year has reduced by £164k to £578k. The other comprehensive deficit has decreased by £164k to £1,028k. There has been no impact of the balance sheet or resulting reserves.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General funds	1,232,215	5,402,244	(5,080,634)	-	1,553,825
Pension reserve	(3,632,000)	-	61,000	2,885,000	(686,000)
	<u>(2,399,785)</u>	<u>5,402,244</u>	<u>(5,019,634)</u>	<u>2,885,000</u>	<u>867,825</u>
Restricted funds					
Barclays 100x100	23,652	-	(23,652)	-	-
Eden youth hub	-	25,400	(19,759)	-	5,641
Ready for work - Blackpool	-	22,860	(22,860)	-	-
Self employment project	-	12,763	(10,100)	-	2,663
	<u>23,652</u>	<u>61,023</u>	<u>(76,371)</u>	<u>-</u>	<u>8,304</u>
Total of funds	<u>(2,376,133)</u>	<u>5,463,267</u>	<u>(5,096,005)</u>	<u>2,885,000</u>	<u>876,129</u>

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

18. Statement of funds (continued)

Barclays 100 x 100

We were delighted to be one of the recipients of the 100x100 Barclays Covid Support Fund. This donation was utilised to help repurpose our premises making them Covid-secure for our staff and beneficiaries. We were able to enhance our digital offer and overall the funds have enabled us to help more people, more quickly, at the time they needed the help the most.

Eden Youth Project

The Eden Youth project is funded by Eden District Council to proactively engage with individuals within the Eden area through a programme of engagement/activity. Budgeting & Debt Advice Employer Recruitment group sessions, open drop in, mentoring, job and life skills training. Clients who are Disengaged, Disadvantaged and are isolated young people in the margins of the community and society where engagement is required prior to any conversation around work needs can take place, which can only be beneficial after the removal of barriers identified. The work will include clients living in the outlying towns in Eden where transport into Penrith is a challenge and digital isolation is an issue.

Community Renewal Fund

The project is funded via Blackpool Council and supports individuals aged 18-24, to access support that will enable them to develop their people skills as well as their work skills. The aim is to ensure that the project offers advice and support and is available when individuals are considering career paths and moving into work.

Copeland Community Fund - Self-Employment

Funded through the Copeland Community Fund and working in partnership with the "Money Education Support Service" Inspira run a support programme to help candidates in Copeland explore self-employment as a sustainable career option. The 4 week class room based programme will help individuals set up a business plan, explore financial planning and marketing, set up a website or Facebook page, understand the legal side of starting up a small business and educate people in sales and customer service. The programme will then support people for an additional 4 months on a one to one basis managing budgets and benefit payment until the business is at a financial viable stage.

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Unrestricted funds					
General funds	766,725	4,528,102	(4,062,612)	-	1,232,215
Pension reserve	(2,693,000)	-	89,000	(1,028,000)	(3,632,000)
	<u>(1,926,275)</u>	<u>4,528,102</u>	<u>(3,973,612)</u>	<u>(1,028,000)</u>	<u>(2,399,785)</u>
Restricted funds					
Barclays 100x100	-	100,000	(76,348)	-	23,652
Total of funds	<u>(1,926,275)</u>	<u>4,628,102</u>	<u>(4,049,960)</u>	<u>(1,028,000)</u>	<u>(2,376,133)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	473,344	-	473,344
Investment property	350,000	-	350,000
Current assets	2,181,230	8,304	2,189,534
Creditors due within one year	(1,382,278)	-	(1,382,278)
Creditors due in more than one year	(68,471)	-	(68,471)
Provisions for liabilities and charges	(686,000)	-	(686,000)
Total	<u>867,825</u>	<u>8,304</u>	<u>876,129</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	454,380	-	454,380
Investment property	350,000	-	350,000
Current assets	1,510,281	23,652	1,533,933
Creditors due within one year	(863,878)	-	(863,878)
Creditors due in more than one year	(218,568)	-	(218,568)
Provisions for liabilities and charges	(3,632,000)	-	(3,632,000)
Total	<u>(2,399,785)</u>	<u>23,652</u>	<u>(2,376,133)</u>

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

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	As restated 2021 £
Net income for the year (as per Statement of Financial Activities)	367,262	578,142
Adjustments for:		
Depreciation charges	40,999	33,449
Defined benefit pension scheme costs	61,000	(67,000)
Dividends, interests and rents from investments	(18,460)	(28,216)
(Increase)/Decrease in debtors	(321,229)	588,045
Increase/(Decrease) in creditors	391,334	(953,248)
Movement in provision for Irrecoverable VAT	-	(54,844)
Net cash provided by operating activities	520,906	96,328

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,394,769	1,060,397
Total cash and cash equivalents	1,394,769	1,060,397

22. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,060,397	334,372	1,394,769
Debt due within 1 year	(25,929)	(3,041)	(28,970)
Debt due after 1 year	(218,568)	150,097	(68,471)
	815,900	481,428	1,297,328

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments

The charity operates a defined benefit pension scheme.

The charity operates a defined contribution scheme for employees. The pension cost charge for the year amounted to £239,227 (2021 - £214,945) and outstanding contributions at the balance sheet date amounted to £32,552 (2021 - £26,111).

The charity operates a defined benefit pension scheme. The pension cost charge for the year amounted to £178,000 (2021 - £178,025) and outstanding contributions relating to this scheme were £Nil (2021 - £Nil) at the balance sheet date.

The charity contributes to the Greater Manchester Pension Fund (a Local Government Pension Scheme) on behalf of its employees to provide benefits based on final pensionable pay. Contributions are charged to the statement of comprehensive income so as to spread the cost of pensions over the employee's working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The most recent actuarial valuation has been undertaken as at 31 March 2022 by an appropriately qualified actuary who are also regulated by the FCA.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2022	<i>At 31 March 2021</i>
	%	%
Discount rate	2.8	2.2
Future salary increases	2	1
Future pension increases	3	2.5
	<hr/> <hr/>	<hr/> <hr/>
	At 31 March 2022	<i>At 31 March 2021</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	20	20.1
- at 65 for a male aged 45 now	21	21
- for a female aged 65 now	22.8	22.9
- at 65 for a female aged 45 now	24.5	24.5
	<hr/> <hr/>	<hr/> <hr/>

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

23. Pension commitments (continued)

The charity's share of the assets in the scheme was:

	At 31 March 2022 £	<i>At 31 March 2021 £</i>
Equities	22,281,520	22,134,960
Debt instruments	4,988,400	3,689,160
Property	2,660,480	2,152,010
Cash and other liquid assets	3,325,600	2,766,870
Total fair value of assets	33,256,000	<i>30,743,000</i>

The actual return on scheme assets was £920,000 (2021 - £641,000).

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

	2022 £	<i>As restated 2021 £</i>
Current service cost	(39,000)	(26,000)
Interest income	670,000	641,000
Interest cost	(748,000)	(704,000)
Total amount recognised in the Statement of financial activities	(117,000)	<i>(89,000)</i>

Movements in the present value of the defined benefit obligation were as follows:

	2022 £
Opening defined benefit obligation	34,375,000
Interest cost	748,000
Contributions by scheme participants	10,000
Benefits paid	(725,000)
Current service cost	39,000
(Gain)/loss on remeasurement of assets	(505,000)
Closing defined benefit obligation	33,942,000

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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

23. Pension commitments (continued)

Movements in the fair value of the charity's share of scheme assets were as follows:

	2022 £
Opening fair value of scheme assets	30,743,000
Expected return on assets	670,000
Assets distributed on settlements	(362,000)
Contributions by scheme participants	10,000
Employer contributions	178,000
Benefits paid	(725,000)
Actuarial gains	2,742,000
Closing fair value of scheme assets	33,256,000

The charity expects to contribute £178,000 to the defined benefit pension scheme in 22/23.

24. Operating lease commitments

The charity had no commitments under non-cancellable operating leases at 31 March 2022.

25. Related party transactions

During the year, the charity invoiced £10,000 for services provided at arms length to Richard Rose Central Academy, an Academy where a trustee during the year was also a trustee.

Other related party transactions are disclosed in notes 11 and 12.

26. Controlling party

The ultimate controlling party of the charity is the Board of Trustees.