

Company Registration No. 08864179 (England and Wales)

**The Inspire Holding Company Limited**

**Annual report and  
group financial statements  
for the year ended 30 September 2022**

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## **The Inspire Holding Company Limited**

### **Company information**

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<b>Director</b>	Anthony Troy
<b>Secretary</b>	Anthony Troy
<b>Company number</b>	08864179
<b>Registered office</b>	Mitre House North Park Road Harrogate North Yorkshire HG1 5RX
<b>Independent auditors</b>	Saffery Champness LLP Mitre House North Park Road Harrogate North Yorkshire HG1 5RX
<b>Business address</b>	Deganwy Quay Deganwy Conwy LL31 9DJ

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## **The Inspire Holding Company Limited**

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## **The Inspire Holding Company Limited**

### **Strategic report**

**For the year ended 30 September 2022**

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The director presents the strategic report for the year ended 30 September 2022.

#### **Fair review of the business**

Total revenue for the Group was £10.2m (2021: £6.7m) up £3.5m on the same period.

We started the year with some uncertainties due to the ongoing Covid pandemic but as the year settled we saw a return to similar revenue of 2019.

As a comparison the Group in 2019 had turnover of £9.8m so is now back to pre-pandemic levels.

Despite some disruption to trade the Group still achieved a profit after tax of £1.1m (2021: £0.7m), again similar to 2019.

We continued to pay interest and made a further payment to service our debt by £700k from cash flow.

Year- end cash position was £7.8m (2021: £6.6m) with outstanding external debt of £8.2m. We funded via internal cash capex of £700k during the year on day to day upgrades of bedrooms, carpets, etc.

Group net assets increased to £6.4m (2021: £5.3m) as profits were reinvested into the business.

We remain conservative in keeping the financial gearing of the Group low to ensure continued investment.

Performance indicators on the operating hotels were as follows:

#### **The Inn at Grasmere and Ash Cottage Ltd, Grasmere**

KPIs for the year ending 30 September 2022 were as follows:

Total revenue £3.4m (2021: £2.4m), with an occupancy rate of 73%.

#### **Bridge House Hotel, Grasmere**

KPIs for the year ending 30 September 2022 were as follows:

Total revenue of £790k (2021: £789k), we flexed the business between both hotels in Grasmere.

#### **Deganwy Quay Ltd, North Wales**

KPIs for the year ending 30 September 2022 were as follows:

Total revenue £6.0m (2021: £3.4m), with an occupancy rate of 82%.

#### **Cost challenges**

Similar to other hotel groups and businesses we faced the ongoing challenging in raising energy costs and staff shortages across all disciplines in the business.

*In order to mitigate some of these challenges we flexed our offering accordingly and consolidated our business to ensure rooms were occupied at the busy times and controlling these costs.*

**The Inspire Holding Company Limited**

**Strategic report (continued)**

**For the year ended 30 September 2022**

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**Outlook for 2023**

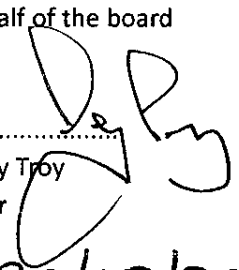
We have started the year in a positive position by continuing to grow ARR with occupancy flat against prior year.

We continue to invest in all properties during the winter period.

Potential challenges for 2023 include rising interest rates, continued cost pressures, staffing issues combined with reduction in government energy support.

We continue to invest for the long term strategic objectives of the Group.

On behalf of the board



.....  
Anthony Troy  
Director

Date: 20/02/2023

**The Inspire Holding Company Limited**

**Director's report**

**For the year ended 30 September 2022**

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The director presents his annual report and financial statements for the year ended 30 September 2022.

**Principal activities**

The principal activity of the company is that of a holding company for a group of hotels.

**Results and dividends**

The results for the year are set out on page 9.

No ordinary dividends were paid. The director does not recommend payment of a further dividend.

**Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Anthony Troy

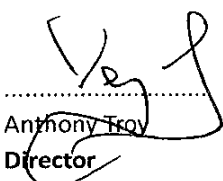
**Auditor**

The auditor, Saffery Champness LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



.....  
Anthony Troy  
Director

Date: 20/02/2023

## **The Inspire Holding Company Limited**

### **Director's responsibilities statement For the year ended 30 September 2022**

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The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 group and company will continue in business.

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

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## **The Inspire Holding Company Limited**

### **Independent auditor's report**

#### **To the members of The Inspire Holding Company Limited**

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#### **Opinion**

We have audited the financial statements of The Inspire Holding Company Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 group and of the parent company's affairs as at 30 September 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 director with respect to going concern are described in the relevant sections of this report.



## **The Inspire Holding Company Limited**

### **Independent auditor's report (continued)**

#### **To the members of The Inspire Holding Company Limited**

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#### **Other information**

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

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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the parent 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 director either intends to liquidate the parent company or to cease operations, or has no realistic alternative but to do so.

## **The Inspire Holding Company Limited**

### **Independent auditor's report (continued)**

#### **To the members of The Inspire Holding Company Limited**

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#### **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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.*

#### **Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the director, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with director and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006 and UK Tax legislation.

#### **Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

**The Inspire Holding Company Limited**

**Independent auditor's report (continued)**

**To the members of The Inspire Holding Company Limited**

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As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

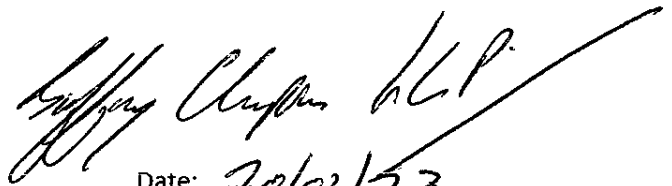
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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

**Martin Holden (Senior Statutory Auditor)**  
**For and on behalf of Saffery Champness LLP**



Date: 20/02/23

**Chartered Accountants**  
**Statutory Auditors**

Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

**The Inspire Holding Company Limited**

**Group statement of comprehensive income  
For the year ended 30 September 2022**

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Revenue</b>	<b>3</b>	10,266,167	6,668,221
Cost of sales		(4,747,411)	(3,503,558)
<b>Gross profit</b>		<b>5,518,756</b>	<b>3,164,663</b>
Distribution costs		(50,846)	(34,890)
Administrative expenses		(3,792,315)	(2,924,426)
Other operating income		30,031	1,151,098
<b>Operating profit</b>	<b>4</b>	<b>1,705,626</b>	<b>1,356,445</b>
Investment income	<b>7</b>	248	-
Finance costs	<b>8</b>	(250,641)	(169,486)
<b>Profit before taxation</b>		<b>1,455,233</b>	<b>1,186,959</b>
Tax on profit	<b>9</b>	(354,556)	(470,168)
<b>Profit for the financial year</b>	<b>22</b>	<b>1,100,677</b>	<b>716,791</b>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The income statement has been prepared on the basis that all operations are continuing operations.

The Inspire Holding Company Limited

Group statement of financial position  
As at 30 September 2022

	Notes	£	2022 £	£	2021 £
<b>Non-current assets</b>					
Goodwill	10		880,906		1,321,359
Property, plant and equipment	11		10,699,232		11,015,309
			<u>11,580,138</u>		<u>12,336,668</u>
<b>Current assets</b>					
Inventories	14	74,098		58,249	
Trade and other receivables	15	433,167		312,141	
Cash and cash equivalents		7,842,864		6,652,305	
			<u>8,350,129</u>	<u>7,022,695</u>	
<b>Current liabilities</b>	16	(5,696,705)		(5,510,025)	
<b>Net current assets</b>			<u>2,653,424</u>		<u>1,512,670</u>
<b>Total assets less current liabilities</b>			<u>14,233,562</u>		<u>13,849,338</u>
<b>Non-current liabilities</b>	17		(7,518,750)		(8,181,250)
<b>Provisions for liabilities</b>					
Deferred tax liability	19	311,935		365,888	
			<u>(311,935)</u>	<u>(365,888)</u>	
<b>Net assets</b>			<u>6,402,877</u>		<u>5,302,200</u>
<b>Equity</b>					
Called up share capital	21		1		1
Retained earnings	22		6,402,876		5,302,199
<b>Total equity</b>			<u>6,402,877</u>		<u>5,302,200</u>

The financial statements were approved and signed by the director and authorised for issue on

20/10/2023

Anthony Troy  
Director

**The Inspire Holding Company Limited**

**Company statement of financial position  
As at 30 September 2022**

	Notes	£	2022 £	£	2021 £
<b>Non-current assets</b>					
Investments	12		2,112,852		2,112,852
<b>Current assets</b>					
Trade and other receivables	15	12,917,956		12,263,451	
Cash and cash equivalents		808,649		1,745,717	
		13,726,605		14,009,168	
<b>Current liabilities</b>	16	(7,418,313)		(7,343,050)	
<b>Net current assets</b>			6,308,292		6,666,118
<b>Total assets less current liabilities</b>			8,421,144		8,778,970
<b>Non-current liabilities</b>	17		(7,518,750)		(8,181,250)
<b>Net assets</b>			902,394		597,720
<b>Equity</b>					
Called up share capital	21		1		1
Retained earnings	22		902,393		597,719
<b>Total equity</b>			902,394		597,720

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £401,518 (2021: £136,714).

The financial statements were approved and signed by the director and authorised for issue on 20.02.2023

  
Anthony Troy  
Director

Company Registration No. 08864179

**The Inspire Holding Company Limited**

**Group statement of changes in equity  
For the year ended 30 September 2022**

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	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
<b>Balance at 1 October 2020</b>	<b>1</b>	<b>4,585,408</b>	<b>4,585,409</b>
<b>Year ended 30 September 2021:</b>			
Profit and total comprehensive income for the year	-	716,791	716,791
<b>Balance at 30 September 2021</b>	<b>1</b>	<b>5,302,199</b>	<b>5,302,200</b>
<b>Year ended 30 September 2022:</b>			
Profit and total comprehensive income for the year	-	1,100,677	1,100,677
<b>Balance at 30 September 2022</b>	<b>1</b>	<b>6,402,876</b>	<b>6,402,877</b>

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**The Inspire Holding Company Limited**

**Company statement of changes in equity  
For the year ended 30 September 2022**

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	Share capital £	Retained earnings £	Total £
<b>Balance at 1 October 2020</b>	1	461,005	461,006
<b>Year ended 30 September 2021:</b>			
Profit and total comprehensive income for the year	-	136,714	136,714
<b>Balance at 30 September 2021</b>	1	597,719	597,720
<b>Year ended 30 September 2022:</b>			
Profit and total comprehensive income for the year	-	304,674	304,674
<b>Balance at 30 September 2022</b>	1	902,393	902,394

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The Inspire Holding Company Limited

Group statement of cash flows  
For the year ended 30 September 2022

	Notes	£	2022 £	£	2021 £
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		3,353,012		2,737,318
Interest paid			(250,641)		(169,486)
Income taxes paid			(550,646)		(291,155)
<b>Net cash inflow from operating activities</b>			<b>2,551,725</b>		<b>2,276,677</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment		(686,414)		(340,039)	
Proceeds on disposal of property, plant and equipment		-		84,495	
Interest received		248		-	
<b>Net cash used in investing activities</b>			<b>(686,166)</b>		<b>(255,544)</b>
<b>Financing activities</b>					
Repayment of bank loans		(675,000)		(700,000)	
<b>Net cash used in financing activities</b>			<b>(675,000)</b>		<b>(700,000)</b>
<b>Net increase in cash and cash equivalents</b>			<b>1,190,559</b>		<b>1,321,133</b>
Cash and cash equivalents at beginning of year			6,652,305		5,331,172
<b>Cash and cash equivalents at end of year</b>			<b>7,842,864</b>		<b>6,652,305</b>

## **The Inspire Holding Company Limited**

### **Notes to the financial statements**

**For the year ended 30 September 2022**

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#### **1 Accounting policies**

##### **Company information**

The Inspire Holding Company Limited ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is Mitre House, North Park Road, Harrogate, North Yorkshire, HG1 5RX.

The group consists of The Inspire Holding Company Limited and all of its subsidiaries.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £401,518 (2021: £136,714).

**1 Accounting policies (continued)**

**1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company The Inspire Holding Company Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 September 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**1.3 Going concern**

The group has prepared detailed budgets and cash flow forecasts for the next 12 months and these show the business continuing to be able to trade profitably with significant cash headroom. The director is therefore confident that the group remains a going concern.

**1.4 Revenue**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Revenue from the sale of services is recognised at the point at which the services are delivered to the customer.

## **The Inspire Holding Company Limited**

### **Notes to the financial statements (continued)**

**For the year ended 30 September 2022**

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#### **1 Accounting policies (continued)**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **1.5 Intangible fixed assets - goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

##### **1.6 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	10-50 years straight line on buildings
Plant and machinery	5 years straight line
Fixtures, fittings & equipment	4-10 years straight line
Computer equipment	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

##### **1.7 Impairment of non-current assets**

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

##### **1.8 Inventories**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials. Provision is made for obsolete and slow moving items where appropriate.

**1 Accounting policies (continued)**

**1.9 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include trade and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**

**For the year ended 30 September 2022**

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**1 Accounting policies (continued)**

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

**1.11 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

**1.12 Taxation**

*The tax expense represents the sum of the tax currently payable and deferred tax.*

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**1 Accounting policies (continued)**

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

**1.15 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**1.16 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Revenue**

An analysis of the group's revenue is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Revenue analysed by class of business</b>		
Hotel income	10,161,357	6,560,221
Consultancy services	104,810	108,000
	<u>10,266,167</u>	<u>6,668,221</u>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Revenue analysed by geographical market</b>		
United Kingdom	<u>10,266,167</u>	<u>6,668,221</u>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Other revenue</b>		
Interest income	248	-
Grants received	<u>30,031</u>	<u>1,151,098</u>



**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**4 Operating profit**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Government grants	(30,031)	(1,151,098)
Depreciation of owned property, plant and equipment	1,002,491	1,038,726
Profit on disposal of property, plant and equipment	-	(30,658)
Amortisation of intangible assets	440,453	440,453
Operating lease charges	777	2,467
	<u>777</u>	<u>2,467</u>

**5 Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	21,940	20,700
	<u>21,940</u>	<u>20,700</u>

**6 Employees**

The average monthly number of persons (including directors) employed by the group and company during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Hotel staff	153	148
Management and administrative staff	8	5
	<u>161</u>	<u>153</u>

Their aggregate remuneration comprised:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,826,903	2,513,993
Social security costs	249,776	179,566
Pension costs	48,054	37,442
	<u>3,124,733</u>	<u>2,731,001</u>

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**7 Investment income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	248	-

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss

248	-
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**8 Finance costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	250,641	169,486

**9 Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	402,259	435,006
Adjustments in respect of prior periods	(20,817)	40,366
Total current tax	381,442	475,372
<b>Deferred tax</b>		
Origination and reversal of timing differences	(28,950)	(101,654)
Changes in tax rates	-	71,396
Adjustment in respect of prior periods	2,064	25,054
Total deferred tax	(26,886)	(5,204)
Total tax charge	354,556	470,168

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**

**For the year ended 30 September 2022**

**9 Taxation (continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	1,455,233	1,186,959
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	276,494	225,522
Tax effect of expenses that are not deductible in determining taxable profit	628	10,515
Tax effect of income not taxable in determining taxable profit	(90)	-
Unutilised tax losses carried forward	19,933	8,630
Depreciation on assets not qualifying for tax allowances	27,749	30,766
Other non-reversing timing differences	(27,515)	(2,229)
Under/(over) provided in prior years	(20,817)	40,366
Deferred tax adjustments in respect of prior years	2,064	(7,072)
Amortisation	83,686	83,686
Change in deferred tax rate	-	104,668
Other tax adjustments	(7,576)	(24,684)
Taxation charge	354,556	470,168

**10 Intangible fixed assets**

Group	Goodwill £	Tour bookings £	Total £
<b>Cost</b>			
At 1 October 2021 and 30 September 2022	4,604,530	246,000	4,850,530
<b>Amortisation and impairment</b>			
At 1 October 2021	3,283,171	246,000	3,529,171
Amortisation charged for the year	440,453	-	440,453
At 30 September 2022	3,723,624	246,000	3,969,624

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**10 Intangible fixed assets (continued)**

**Carrying amount**

At 30 September 2022	880,906	-	880,906
At 30 September 2021	1,321,359	-	1,321,359

The company had no intangible fixed assets at 30 September 2022 or 30 September 2021.

**11 Property, plant and equipment**

Group	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>						
At 1 October 2021	12,248,817	277,124	18,296	4,569,149	15,625	17,129,011
Additions	186,672	-	2,081	497,661	-	686,414
At 30 September 2022	12,435,489	277,124	20,377	5,066,810	15,625	17,815,425
<b>Depreciation and impairment</b>						
At 1 October 2021	2,553,721	146,896	15,403	3,382,116	15,566	6,113,702
Depreciation charged in the year	516,102	11,085	2,961	472,284	59	1,002,491
At 30 September 2022	3,069,823	157,981	18,364	3,854,400	15,625	7,116,193
<b>Carrying amount</b>						
At 30 September 2022	9,365,666	119,143	2,013	1,212,410	-	10,699,232
At 30 September 2021	9,695,096	130,228	2,893	1,187,033	59	11,015,309

The company had no property, plant and equipment at 30 September 2022 or 30 September 2021.

**12 Fixed asset investments**

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	13	-	-	2,112,852	2,112,852

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**12 Fixed asset investments (continued)**

**Movements in non-current investments**  
**Company**

**Shares in  
subsidiaries**  
**£**

**Cost or valuation**

At 1 October 2021 and 30 September 2022

2,112,852

**Carrying amount**

At 30 September 2022

2,112,852

At 30 September 2021

2,112,852

**13 Subsidiaries**

Details of the company's subsidiaries at 30 September 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Ash Cottage Propco Limited	England & Wales	Ordinary	100.00	-
Bridge House Hotel Limited	England & Wales	Ordinary	100.00	-
Deganwy Quay Limited	England & Wales	Ordinary	100.00	-
Quay Propco Limited	England & Wales	Ordinary	100.00	-
The Inn at Grasmere Limited	England & Wales	Ordinary	100.00	-
Twenty Nine City Road Limited	England & Wales	Ordinary	100.00	-

The following subsidiaries are exempt from audit under the requirements of s479A of the Companies Act 2006. The Inspire Holding Company Limited guarantees the companies under s479C of the Companies Act 2006 in respect of the year ended 30 September 2022.

Quay Propco Limited - company no. 08924336  
 The Inn at Grasmere Limited - company no. 08864536  
 Bridge House Hotel Limited - company no. 04289948  
 Twenty Nine City Road - company no. 10285540  
 Deganwy Quay Limited - company no. 04180826

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**14 Inventories**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Raw materials and consumables	1,100	1,400	-	-
Finished goods and goods for resale	72,998	56,849	-	-
	<u>74,098</u>	<u>58,249</u>	<u>-</u>	<u>-</u>

**15 Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>				
Trade receivables	263,238	96,955	-	-
Corporation tax recoverable	17,049	-	-	-
Other receivables	18,550	49,678	-	33,204
Prepayments and accrued income	127,262	131,373	-	12,000
	<u>426,099</u>	<u>278,006</u>	<u>-</u>	<u>45,204</u>

**Amounts falling due after more than one year:**

Amounts owed by group undertakings	-	-	12,910,888	12,210,728
Deferred tax asset (note 19)	7,068	34,135	7,068	7,519
	<u>7,068</u>	<u>34,135</u>	<u>12,917,956</u>	<u>12,218,247</u>

<b>Total debtors</b>	<u>433,167</u>	<u>312,141</u>	<u>12,917,956</u>	<u>12,263,451</u>
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The Inspire Holding Company Limited

Notes to the financial statements (continued)  
For the year ended 30 September 2022

16 Current liabilities

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	18	687,500	700,000	687,500	700,000
Trade payables		506,593	469,842	-	-
Amounts owed to group undertakings		-	-	3,511,880	3,499,936
Corporation tax payable		120,595	272,750	71,392	29,226
Other taxation and social security		553,430	198,616	5,174	-
Other payables		3,283,539	3,365,653	3,059,969	3,059,969
Accruals and deferred income		545,048	503,164	82,398	53,919
		<u>5,696,705</u>	<u>5,510,025</u>	<u>7,418,313</u>	<u>7,343,050</u>

17 Non-current liabilities

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	18	<u>7,518,750</u>	<u>8,181,250</u>	<u>7,518,750</u>	<u>8,181,250</u>

18 Borrowings

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	<u>8,206,250</u>	<u>8,881,250</u>	<u>8,206,250</u>	<u>8,881,250</u>
Payable within one year	687,500	700,000	687,500	700,000
Payable after one year	<u>7,518,750</u>	<u>8,181,250</u>	<u>7,518,750</u>	<u>8,181,250</u>

The bank loans are secured by way of fixed and floating charges in favour of Santander UK Plc dated 1 April 2019 over the freehold property known as Bridge House Hotel, Ash Cottage, Red Lion Hotel and Deganwy Quay Hotel and the leasehold property known as Deganwy Quay Hotel.

The group has bank loans with Santander UK Plc which commenced on 1 April 2019 comprising a 60 month loan facility. The repayment terms comprise quarterly instalments and a bullet payment at the termination date. The loans are subject to interest at 1.85% plus LIBOR.

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**

**For the year ended 30 September 2022**

**19 Deferred taxation**

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Liabilities</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Assets</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	313,015	365,888	7,068	34,135
Short term timing differences	(1,080)	-	-	-
	<u>311,935</u>	<u>365,888</u>	<u>7,068</u>	<u>34,135</u>
	<b>Liabilities</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Assets</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Company</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	-	-	7,068	7,519
	<u>-</u>	<u>-</u>	<u>7,068</u>	<u>7,519</u>
			<b>Group</b>	<b>Company</b>
			<b>2022</b>	<b>2022</b>
<b>Movements in the year:</b>			<b>£</b>	<b>£</b>
Liability/(Asset) at 1 October 2021			331,753	(7,519)
Charge to profit or loss			(26,886)	451
Liability/(Asset) at 30 September 2022			<u>304,867</u>	<u>(7,068)</u>

The deferred tax liability set out above is not expected to reverse within 12 months.

**20 Retirement benefit schemes**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>48,054</u>	<u>37,442</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.



**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**21 Share capital**

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary share of £1 each	1	1	1	1

The Company has one class of ordinary shares which carry no right to fixed income and full voting rights.

**22 Retained earnings**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
At the beginning of the year	5,302,199	4,585,408	597,719	461,005
Profit for the year	1,100,677	716,791	304,674	136,714
At the end of the year	6,402,876	5,302,199	902,393	597,719

**23 Capital commitments**

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Acquisition of property, plant and equipment	57,556	-	-	-

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

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**24 Operating lease commitments**

**Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	2,587	-	-	-
Between two and five years	3,665	-	-	-
	<u>6,252</u>	<u>-</u>	<u>-</u>	<u>-</u>

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

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**25 Related party transactions**

**Transactions with related parties**

During the year the group entered into the following transactions with related parties:

	<b>Sale of other assets</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Key management personnel	-	84,495

The following amounts were outstanding at the reporting end date:

	<b>Amounts owed to related parties</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group and company</b>		
Key management personnel	3,059,969	3,059,969
<b>Company</b>		
Entities over which the company has control, joint control or significant influence	3,511,880	3,499,936

The director's loan is unsecured, interest free and repayable on demand.

The following amounts were outstanding at the reporting end date:

	<b>Amounts owed by related parties</b>	
	<b>2022</b>	<b>2021</b>
<b>Company</b>		
Entities over which the company has control, joint control or significant influence	12,910,888	12,210,728
	12,910,888	12,210,728

No guarantees have been given or received.

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**26 Controlling party**

The ultimate party is Anthony Troy by virtue of his 100% shareholding in the company.

**27 Cash generated from group operations**

	2022 £	2021 £
Profit for the year after tax	1,100,677	716,791
<b>Adjustments for:</b>		
Taxation charged	354,556	470,168
Finance costs	250,641	169,486
Investment income	(248)	-
Gain on disposal of property, plant and equipment	-	(30,658)
Amortisation and impairment of intangible assets	440,453	440,453
Depreciation and impairment of property, plant and equipment	1,002,491	1,038,726
<b>Movements in working capital:</b>		
(Increase)/decrease in inventories	(15,849)	10,025
(Increase)/decrease in trade and other receivables	(131,044)	41,598
Increase/(decrease) in trade and other payables	351,335	(119,271)
<b>Cash generated from operations</b>	<u>3,353,012</u>	<u>2,737,318</u>

**28 Analysis of changes in net debt - group**

	1 October 2021 £	Cash flows 30 September 2022 £	£
Cash at bank and in hand	6,652,305	1,190,559	7,842,864
Borrowings excluding overdrafts	(8,881,250)	675,000	(8,206,250)
	<u>(2,228,945)</u>	<u>1,865,559</u>	<u>(363,386)</u>

**The Inspire Holding Company Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2022**

**29 Analysis of changes in net debt - company**

	<b>1 October 2021</b>	<b>Cash flows</b>	<b>30 September 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,745,717	(937,068)	808,649
Borrowings excluding overdrafts	(8,881,250)	675,000	(8,206,250)
	<u>(7,135,533)</u>	<u>(262,068)</u>	<u>(7,397,601)</u>