



INSPIRA CUMBRIA LIMITED

31 MARCH 2013

ABBREVIATED ACCOUNTS  
(A company limited by guarantee)

**THE REGISTRAR  
OF COMPANIES**

**INSPIRA CUMBRIA LIMITED**  
**(A company limited by guarantee)**

**COMPANY INFORMATION**

**DIRECTORS**

Mr M Farley  
Mr J Robson  
Mr S H Hyde  
Mr M Bowman  
Mr D Clough  
Mr K Sutton  
Mr P Irving  
Mrs J Worthington (resigned 5 December 2012)  
Mr C E Haughin (resigned 18 January 2013)  
Dr M L Lawty-Jones  
Mr S Balmer (appointed 13 March 2013)

**COMPANY SECRETARY**

Mr D Emerson

**REGISTERED NUMBER**

04182567

**REGISTERED OFFICE**

Gillan Way  
Penrith 40 Business Park  
Penrith  
Cumbria  
CA11 9BP

**INDEPENDENT AUDITORS**

Armstrong Watson  
Chartered Accountants  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP

**BANKERS**

HSBC Plc  
PO Box 5  
29 English Street  
Carlisle  
Cumbria  
CA3 8JT

**SOLICITORS**

Burnetts Solicitors  
6 Victoria Place  
Carlisle  
Cumbria  
CA1 1ES

**INSPIRA CUMBRIA LIMITED**  
**(A company limited by guarantee)**

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**INSPIRA CUMBRIA LIMITED**  
**(A company limited by guarantee)**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2013**

The directors present their report and the financial statements for the year ended 31 March 2013

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the period was advising and supporting young people and adults in Cumbria.

**BUSINESS REVIEW**

The company trades as Inspira to reflect our broader purpose which is to inspire people, organisations and communities to be successful.

The company continues to bid for and win a range of contracts from public bodies, including Cumbria County Council and central government departments and agencies. The year saw the company continue to deliver the expanded pilot of the coalition government's National Citizen Service and win a longer term contract.

Despite another difficult year for public funding the company has continued to increase the range of its contracts and the reach of services within the region.

In the past twelve months the company has established itself as an eminent social enterprise, a prime contractor for government departments and has developed new business relationships with both public and private enterprises.

Proud of the recognition it continues to receive the company has achieved the following

- Over one million personal contacts with young people resulting in 70,000+ young people placed into education, employment and training
- Maintained a solid financial performance despite continued nationwide economic stringency
- Awarded the ISO9001 Quality Management Standard
- Re-accredited for the Investors in People Award
- Re-accredited for the Matrix Standard
- Continue to hold the National Youth Agency's Quality Mark, which recognises high quality services and support in organisations working with young people

**INSPIRA CUMBRIA LIMITED**  
**(A company limited by guarantee)**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**RESULTS**

The profit for the year, after taxation, amounted to £98,976 (2012 - loss £67,926)

**DIRECTORS**

The directors who served during the year were

Mr M Farley  
Mr J Robson  
Mr S H Hyde  
Mr M Bowman  
Mr D Clough  
Mr K Sutton  
Mr P Irving  
Mrs J Worthington (resigned 5 December 2012)  
Mr C E Haughin (resigned 18 January 2013)  
Dr M L Lawty-Jones  
Mr S Balmer (appointed 13 March 2013)

**CORPORATE GOVERNANCE**

The company is committed to high standards of corporate governance. The board is responsible for good governance and this statement summarises how the relevant principles are applied to the company.

The board currently comprises the non-executive chairman, the chief executive and eight non-executive directors. They demonstrate a range of experience which is crucial to the successful direction of the company. All of the non-executives are independent of management.

All directors are equally accountable in law for the proper stewardship of the company's affairs. The non-executives have a particular responsibility to ensure that strategies proposed by the management team are fully discussed and critically appraised to ensure that they not only meet the company's objectives, but also take into account the interests of employees and the community in which the company operates.

The non-executive directors regularly monitor the performance of the company.

To enable directors to meet their responsibilities the full board meets at least four times a year, all directors have full and timely access to all relevant information and there is frequent communication between meetings.

**INTERNAL CONTROLS**

The Board is responsible for the company's systems of internal control and for reviewing their effectiveness during the year. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable not absolute assurance against material misstatement or loss.

The key features of the control system which has been established include the following:

- The Audit and Performance Management Committee, made up of the chief-executive and three non-executive directors, review the internal control system.
- The Board has identified strategic risks to the business and the processes to manage these risks.
- Strict procedures are in place to control expenditure that can be incurred on behalf of the company by directors or staff.

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**BOARD COMMITTEES**

The board has two committees with the following membership

The audit and performance management committee is made up of the chief executive and three non-executive directors as follows

J Robson (Chair)  
P Irving  
D Clough  
M Bowman (Chief Executive)

In addition the chair of the board of directors, M Farley also attends the committee meetings

The staffing committee is made up of the chief executive and three non-executive directors as follows

M Farley (Chair)  
M Bowman (Chief Executive)  
D Clough  
P Irving

**DISCLOSURE OF INFORMATION TO AUDITORS**

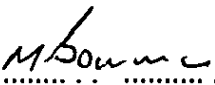
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information

**AUDITORS**

Under section 487(2) of the Companies Act 2006, Armstrong Watson will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board and signed on its behalf

  
.....  
**Mr M Bowman**  
Director

Date 27/09/2013

**INSPIRA CUMBRIA LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO INSPIRA CUMBRIA LIMITED**  
**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts, which comprise the abbreviated Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet, the Cash flow statement and the related notes, together with the financial statements of Inspira Cumbria Limited for the year ended 31 March 2013 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 company, for our work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts which comprise the abbreviated Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet, the Cash flow statement and the related notes have been properly prepared in accordance with the regulations made under that section.

Alan Johnston (Senior statutory auditor)

for and on behalf of  
**Armstrong Watson**

Chartered Accountants

Carlisle

Date 04.10.2013

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
<b>TURNOVER</b>	1	<b>8,198,695</b>	6,533,093
<b>GROSS PROFIT</b>		<b>8,198,695</b>	6,533,093
Administrative expenses		<b>(8,187,921)</b>	(6,760,824)
<b>OPERATING PROFIT/(LOSS)</b>	2	<b>10,774</b>	(227,731)
Interest receivable and similar income		<b>9,002</b>	13,502
Other finance income	5	<b>81,000</b>	149,000
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>100,776</b>	(65,229)
Tax on profit/(loss) on ordinary activities	6	<b>(1,800)</b>	(2,697)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	12	<b>98,976</b>	(67,926)

All amounts relate to continuing operations

The notes on pages 9 to 16 form part of these financial statements



**INSPIRA CUMBRIA LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>98,976</b>	<b>(67,926)</b>
Actuarial gain related to pension scheme	17	<u><b>1,227,000</b></u>	<u><b>(673,000)</b></u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<u><u><b>1,325,976</b></u></u>	<u><u><b>(740,926)</b></u></u>

The notes on pages 9 to 16 form part of these financial statements

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

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MARCH 2013**

	Note	£	2013 £	2012 £
<b>FIXED ASSETS</b>				
Tangible assets	7		265,166	283,705
<b>CURRENT ASSETS</b>				
Debtors	8	632,373	415,613	
Cash at bank		1,684,378	1,640,112	
		<u>2,316,751</u>	<u>2,055,725</u>	
<b>CREDITORS</b> : amounts falling due within one year	9	<u>(1,475,886)</u>	<u>(1,215,300)</u>	
<b>NET CURRENT ASSETS</b>			<u>840,865</u>	<u>840,425</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,106,031</u>	<u>1,124,130</u>
<b>CREDITORS</b> : amounts falling due after more than one year	10		<u>(28,641)</u>	<u>(73,716)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b>			<u>1,077,390</u>	<u>1,050,414</u>
Defined benefit pension scheme "asset/(liability)"	17	166,000	<u>166,000</u>	<u>(1,133,000)</u>
<b>NET ASSETS/(LIABILITIES) INCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b>			<u><u>1,243,390</u></u>	<u><u>(82,586)</u></u>
<b>CAPITAL AND RESERVES</b>				
Profit and loss account	12		<u>1,243,390</u>	<u>(82,586)</u>
	13		<u><u>1,243,390</u></u>	<u><u>(82,586)</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf by

.....  .....

**Mr M Bowman**  
Director

Date 27/09/2013

The notes on pages 9 to 16 form part of these financial statements

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**ABBREVIATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	14	119,631	129,441
Returns on investments and servicing of finance	15	9,002	13,502
Taxation		(2,700)	(4,117)
Capital expenditure and financial investment	15	(81,667)	(133,525)
<b>INCREASE IN CASH IN THE YEAR</b>		<b>44,266</b>	<b>5,301</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 MARCH 2013**

	2013 £	2012 £
Increase in cash in the year	44,266	5,301
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>44,266</b>	<b>5,301</b>
Net funds at 1 April 2012	1,640,112	1,634,811
<b>NET FUNDS AT 31 MARCH 2013</b>	<b>1,684,378</b>	<b>1,640,112</b>

The notes on pages 9 to 16 form part of these financial statements

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

**1.2 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Leasehold improvements	-	straight line over the term of the lease
Computers	-	straight line over 3 years
Equipment	-	straight line over 3 years

**1.4 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

**1.5 Pensions**

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2012

The pension scheme is measured using a projected unit method and are discounted to their present value using the current rate of return on a high quality corporate bond

**2. OPERATING PROFIT/(LOSS)**

The operating profit/(loss) is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	61,750	48,933
Auditors' remuneration	7,000	7,100
Operating lease rentals		
- plant and machinery	20,557	13,192
- other operating leases	301,951	260,578
	<u>          </u>	<u>          </u>

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**3. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	3,562,192	3,647,406
Social security costs	256,794	254,913
Other pension costs (Note 17)	381,843	382,400
	<u>4,200,829</u>	<u>4,284,719</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013 No.	2012 No
	<u>145</u>	<u>145</u>

**4. DIRECTORS' REMUNERATION**

	2013 £	2012 £
Remuneration	<u>86,533</u>	<u>85,846</u>

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined benefit pension schemes

**5. OTHER FINANCE INCOME**

	2013 £	2012 £
Expected return on pension scheme assets	950,000	1,096,000
Interest on pension scheme liabilities	(869,000)	(947,000)
	<u>81,000</u>	<u>149,000</u>

**6 TAXATION**

	2013 £	2012 £
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on profit/loss for the year	1,800	2,700
Adjustments in respect of prior periods	-	(3)
	<u>1,800</u>	<u>2,697</u>
<b>Tax on profit/loss on ordinary activities</b>		
	<u>1,800</u>	<u>2,697</u>

**INSPIRA CUMBRIA LIMITED**  
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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**6. TAXATION (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2012 - the same as) the standard rate of corporation tax in the UK of 20% (2012 - 20%) as set out below

	2013 £	2012 £
Profit/loss on ordinary activities before tax	<u>100,776</u>	<u>(65,229)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%)	20,155	(13,046)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(18,355)	15,746
Adjustments to tax charge in respect of prior periods	-	(3)
<b>Current tax charge for the year (see note above)</b>	<u><u>1,800</u></u>	<u><u>2,697</u></u>

**7. TANGIBLE FIXED ASSETS**

	Leasehold Improv'ts £	Computer £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2012	293,228	264,815	30,278	588,321
Additions	30,533	30,097	21,037	81,667
Disposals	(63,388)	-	-	(63,388)
At 31 March 2013	<u>260,373</u>	<u>294,912</u>	<u>51,315</u>	<u>606,600</u>
<b>Depreciation</b>				
At 1 April 2012	92,395	205,176	7,045	304,616
Charge for the year	18,585	31,945	11,220	61,750
On disposals	(24,932)	-	-	(24,932)
At 31 March 2013	<u>86,048</u>	<u>237,121</u>	<u>18,265</u>	<u>341,434</u>
<b>Net book value</b>				
At 31 March 2013	<u><u>174,325</u></u>	<u><u>57,791</u></u>	<u><u>33,050</u></u>	<u><u>265,166</u></u>
At 31 March 2012	<u><u>200,833</u></u>	<u><u>59,639</u></u>	<u><u>23,233</u></u>	<u><u>283,705</u></u>

**INSPIRA CUMBRIA LIMITED**  
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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**8. DEBTORS**

	2013 £	2012 £
Trade debtors	502,769	99,114
Other debtors	53,508	100,047
Prepayments and accrued income	76,096	216,452
	<u>632,373</u>	<u>415,613</u>

**9. CREDITORS**  
**Amounts falling due within one year**

	2013 £	2012 £
Trade creditors	315,896	238,848
Corporation tax	1,800	2,700
Other taxation and social security	302,965	262,524
Other creditors	45,592	45,481
Accruals and deferred income	809,633	665,747
	<u>1,475,886</u>	<u>1,215,300</u>

**10. CREDITORS**  
**Amounts falling due after more than one year**

	2013 £	2012 £
Accruals and deferred income	<u>28,641</u>	<u>73,716</u>

**11. COMPANY STATUS**

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**12 RESERVES**

	Profit and loss account £
At 1 April 2012	(82,586)
Profit for the financial year	98,976
Pension reserve movement	1,227,000
	<hr/>
At 31 March 2013	<b>1,243,390</b>
	<hr/>

The closing balance on the Profit and loss account includes a £166,000 (2012 - £1,133,000) credit/debit, stated after deferred taxation

**13. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS**

	2013 £	2012 £
Opening members' (deficit)/funds	(82,586)	658,340
Profit/(loss) for the financial year	98,976	(67,926)
Other recognised gains and losses during the year	1,227,000	(673,000)
	<hr/>	<hr/>
Closing members' funds/(deficit)	<b>1,243,390</b>	<b>(82,586)</b>
	<hr/>	<hr/>

**14. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Operating profit/(loss)	10,774	(227,731)
Depreciation of tangible fixed assets	61,750	48,933
Loss on disposal of tangible fixed assets	38,456	1,893
(Increase)/decrease in debtors	(216,760)	117,069
Increase in creditors	216,411	184,277
Increase in net pension assets/liabilities	9,000	5,000
	<hr/>	<hr/>
Net cash inflow from operating activities	<b>119,631</b>	<b>129,441</b>
	<hr/>	<hr/>

**15 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	9,002	13,502
	<hr/>	<hr/>
	2013 £	2012 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(81,667)	(133,525)
	<hr/>	<hr/>



**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**15 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

**16. ANALYSIS OF CHANGES IN NET FUNDS**

	1 April 2012 £	Cash flow £	Other non-cash changes £	31 March 2013 £
Cash at bank and in hand	1,640,112	44,266	-	1,684,378
<b>Net funds</b>	<b>1,640,112</b>	<b>44,266</b>	<b>-</b>	<b>1,684,378</b>

**17 PENSION COMMITMENTS**

The company operates a Defined benefit pension scheme

The company 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 income and expenditure account so as to spread the cost of pensions over 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 amounts recognised in the Balance sheet are as follows

	2013 £	2012 £
Present value of funded obligations	(19,332,000)	(18,024,000)
Fair value of scheme assets	19,498,000	16,891,000
<b>Net asset/(liability)</b>	<b>166,000</b>	<b>(1,133,000)</b>

The amounts recognised in profit or loss are as follows

	2013 £	2012 £
Current service cost	(372,000)	(437,000)
Interest on obligation	(869,000)	(947,000)
Expected return on scheme assets	950,000	1,096,000
<b>Total</b>	<b>(291,000)</b>	<b>(288,000)</b>
<b>Actual return on scheme assets</b>	<b>2,461,000</b>	<b>242,000</b>

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**17. PENSION COMMITMENTS (continued)**

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

	2013 £	2012 £
Opening defined benefit obligation	18,024,000	17,172,000
Current service cost	372,000	437,000
Interest cost	869,000	947,000
Contributions by scheme participants	171,000	175,000
Actuarial Losses/(gains)	281,000	(184,000)
Benefits paid	(385,000)	(523,000)
	<u>19,332,000</u>	<u>18,024,000</u>
Closing defined benefit obligation	<u>19,332,000</u>	<u>18,024,000</u>

Changes in the fair value of scheme assets were as follows

	2013 £	2012 £
Opening fair value of scheme assets	16,891,000	16,568,000
Expected return on assets	950,000	1,096,000
Actuarial gains and (losses)	1,508,000	(857,000)
Contributions by employer	363,000	432,000
Contributions by scheme participants	171,000	175,000
Benefits paid	(385,000)	(523,000)
	<u>19,498,000</u>	<u>16,891,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £1,227,000 (2012 - £(673,000))

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

	2013	2012
Discount rate at 31 March	4.50 %	4.80 %
Expected return on scheme assets at 31 March	5.10 %	5.60 %
Future salary increases	1.00 %	2.50 %
Future pension increases	2.80 %	2.50 %

**Mortality assumptions**

The assumptions relating to mortality rate underlying the pension scheme liabilities at the balance sheet date are based on standard actuarial tables projected to 2033 for non pensioners and 2017 for pensioners. The assumed life expectations on retirement at age 65 are as follows

Current pensioners 20.1 years for males and 22.9 years for females

Future pensioners 22.5 years for males and 25.0 years for females

**INSPIRA CUMBRIA LIMITED**  
(A company limited by guarantee)

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**17. PENSION COMMITMENTS (continued)**

Amounts for the current and previous four periods are as follows

Defined benefit pension schemes

	2013 £	2012 £	2011 £	2010 £	2009 £
Defined benefit obligation	(19,332,000)	(18,024,000)	(17,172,000)	(18,990,000)	(12,674,000)
Scheme assets	19,498,000	16,891,000	16,568,000	15,938,000	11,353,000
Surplus/(deficit)	<u>166,000</u>	<u>(1,133,000)</u>	<u>(604,000)</u>	<u>(3,052,000)</u>	<u>(1,321,000)</u>
Experience adjustments on scheme liabilities	(281,000)	184,000	115,000	-	(1,000)
Experience adjustments on scheme assets	<u>1,508,000</u>	<u>(857,000)</u>	<u>(833,000)</u>	<u>3,419,000</u>	<u>(3,191,000)</u>

**18. OPERATING LEASE COMMITMENTS**

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2013 £	2012 £	2013 £	Other 2012 £
<b>Expiry date:</b>				
Within 1 year	25,055	-	2,589	-
Between 2 and 5 years	-	-	-	10,356
After more than 5 years	<u>149,500</u>	<u>237,063</u>	<u>-</u>	<u>-</u>