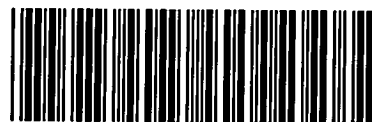


Registered number: 04182567
Charity number: 1179502

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INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ArmstrongWatson®
Accountants, Business & Financial Advisers

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

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INSPIRA CUMBRIA LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	Mark Bowman, Chief Executive Sean Balmer, Trustee Derick Pattinson, Trustee George Beveridge, Chairman Jane Wilding, Trustee Samuel Lyon, Trustee Ruth Harrison-Palmer, Trustee Stephen Sankson, Trustee (appointed 30 September 2022) Robert Scott, Trustee (appointed 22 July 2022)
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 Emerson
Chief executive officer	Mark Bowman
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors Carlisle Cumbria CA1 1HP

INSPIRA CUMBRIA LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of Inspira Cumbria Limited for the year 1 April 2022 to 31 March 2023. 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

Welcome to our Trustees' Report for 2022/23. It's been a very good year with over 30,000 people supported. Working with young people at the start of their career journey to those who are trying to return to employment across all age ranges, we are proud about the number of people we have supported.

It has also been a year of change and transition as we delivered our final summer of National Citizen Service and got to grips with the challenges and opportunities of local government re-organisation and the changing funding mechanisms as we transition from European Social Funding to the UK Shared Prosperity Fund. We embrace the changes and are looking forward to delivering continued success on behalf of new and existing partners.

New programmes have been developed which have created new opportunities for existing staff as well as the need to recruit new colleagues leading to a refreshed premises portfolio in the Lancashire area.

Our team continues to grow and staff development continues to be at the heart of the organisation. The Trustees were delighted that in our most recent staff survey 97% take pride in being part of the organisation with 99% believing we live the values – Be Bold, Be Relevant Be Resilient – they helped embed in 2020. But most of all the Trustees are proud of the impact of the work and the scale of the beneficiaries we have reached. This report shows the depth of that work, and we will continue to forge new partnerships so we can help more people.

George Beveridge – Chair

Mark Bowman – Chief Executive

INSPIRA CUMBRIA LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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

Our Charitable 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 their skills, capabilities and capacities to enable them to participate in something as mature and responsible individuals
- To promote social inclusion by preventing people from being or becoming socially excluded, helping people who are 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

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 25,000 young people, helping them develop their skills and capabilities, 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. Working with 700 employers we have helped over 2500 adults find employment or further training.

INSPIRA CUMBRIA LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 its 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.

Achievements and performance

a. Key performance indicators

Financial Review and Results for the Year:

2022/23 has seen income return to the expected pre-covid levels.

The Statement of Financial Activities shows total income of £6,296,725 (2022 £5,463,267) and total expenditure of £5,931,959 (2022 £5,096,005) leading to an operating surplus, for the 12 month period of £364,766 (2022 £367,262).

b. Review of activities

Inspira's model of working is customer-centric. We are experienced in providing inspiring and powerful programmes to dynamically change an individuals life so that they are supported as they broaden their horizons and reach to achieve their potential. The programmes we manage and deliver have a positive impact on people's lives.

As a charitable company 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.

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

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The Link

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 to provide Careers Information, Advice and Guidance (CIAG) 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.

Multiply

Multiply is a new government-funded programme to help adults improve their numeracy skills. It is aimed at people aged 19 and over who don't have Maths GCSE at grade C (or equivalent). They can access free numeracy courses through Multiply to build their confidence with numbers and gain a qualification.

Lancashire Careers Hub

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

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

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

Launchpad

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

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.

Our Stories

The stories in the following pages try to give a flavour of the range of activities and locations we are working in. Typically, we deliver similar programmes across our whole footprint but often through multiple programmes for differing commissioners.

INSPIRA CUMBRIA LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Constructing A Plan For Future Careers

Inspira and leading construction company Story Contracting teamed up during March 2023 to deliver a Future Careers programme for year 10 and 11 students at The Gillford Centre, Carlisle.

The Gillford Centre is a Pupil Referral Unit (PRU) where students come to at various points during their schooling, usually as a result of their previous school placement having broken down, whether through ill-health, behaviour issues or other difficulties. As students frequently feel less than positive about themselves and their life chances, it is vital for them to be given the opportunity to fully understand all of the vast array of training and employment opportunities available to them when the time comes to leave in Year 11.

The school persistently strives to raise the aspirations of their young people and through Inspira requested support with their Future Careers programme which aims to help students realise their full potential and gives outcomes to aim for.

This year many of the students had expressed an interest in a career in construction and some were already actively looking at apprenticeships or college courses relating to this sector. Story Contracting who partnered with Inspira on a similar project were delighted to take part.

Twelve students participated in the programme which ran for two hours every Monday during March, with each week focusing on a different element of construction.

The sessions were interactive and fun to ensure maximum interest and engagement:

- Week 1 - Introduction to Story Contracting, different construction roles and reality of working on a construction site.
- Week 2 - Construction Health and Safety.
- Week 3 - Construction Challenge: Who can build the best bridge - taking into account efficiency, structure, aesthetics and practicability.
- Week 4 - Mock Interviews – with 1:1 coaching, feedback and top-tips.

The programme has been a huge success with one of the students saying: "They were brilliant. I didn't know there were so many job opportunities with a company like Story's".

And another who came forward and requested some direct work experience following the sessions, said: "I would love to do that, please can you try and get me some work experience, so I have a better chance of getting a job when I leave".

"These are the positive links we are striving to make with local businesses and the fact we got one of the largest, most successful companies in Cumbria was amazing.

We want our students to have the same opportunities as others and meeting local businesses has opened up discussions and motivated students to really set their ambitions high. The delivery of the sessions were adapted to meet the needs of our students and I know it has had a positive impact".

David Hewson, Careers Lead at The Gillford Centre.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Prestigious hotel creates exciting opportunities for students

A prestigious Lake District hotel paired up with local schools to offer work experience to Special Educational Needs students thanks to Inspira.

The North Lakes Hotel & Spa in Penrith worked with Inspira to identify opportunities for work experience with special schools across Cumbria in a bid to give back to the local community and show students the broad range of career opportunities available. Through our connections the hotel found that they were able to offer six months of work experience to two students in the county.

The hotel is working with a student from the Whinell School in Kendal, a residential special school for young people with autism.

A second student will begin their work experience later this year.

Matt Hopkins, Head Gardener at the North Lakes Hotel & Spa, who is working with the students moved from Dorset to Ambleside to study an outdoor education course and never left after falling in love with the county.

Matt has tailored the work experience to meet the current student's interests and to give them a variety of work to understand what the role entails. The student loves working with leaves and machinery so has been given tasks such as leaf blowing, weeding the vegetable plot, using wheelbarrows to move logs around, and using a drill to put up artwork in the garden.

The tasks are kept varied to ensure the student is getting as much out of the work experience as they can.

Inspira put the North Lakes Hotel in touch with schools after hearing about the experience they could provide.

The North Lakes Hotel, which also offers apprenticeships, is hoping to expand its offerings to students following this trial.

"For students who have autism gaining that real world experience and those social interactions is so important – it's key to their learning and development."

Paddy Sandham, Principal at the Whinell School.

Inspira and Nelson-based arts organisation team up with Lancashire Careers Hub

The Lancashire Careers Hub teamed up with Inspira and Nelson-based arts organisation In-Situ to create a special boardgame designed for secondary schools in Burnley and Pendle.

Based on detailed Labour Market Information (LMI) specifically for the region, local school pupils who play the game will get to learn about 'real world' job opportunities in their specific area.

The game is also designed to challenge employment stereotypes and demonstrate the wide variety career pathways which are open to young people from all backgrounds.

The Burnley and Pendle game - Skills in the Hills, is one of six employer-backed and regionalised boardgames produced in partnership with the Lancashire Careers Hub.

The game also joins a range of dynamic and engaging careers advice resources for local schools based on localised employment information and anticipated local employer demand.

These include a suite of new assets called Portal, which highlight the exciting careers set to be created by the arrival of the Eden Project Morecambe, the National Cyber Force (NCF), and other major investments which have been earmarked for the county.

Opportunities in Lancashire's anticipated high-growth sectors such as low carbon energy, electric vehicles, and advanced engineering, are also promoted through a mix of highly visual, entertaining and thought-provoking slide-decks and videos.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Additionally, having a blend of very tactile assets such as boardgames, and the hi-tech visual classroom resources, also allows engagement with all type of learners in different ways. There is also a version of the boardgame specifically for SEND students being developed.

"We know that in order to get young people to think about their choice of subjects, and the different kinds of jobs they could aspire to, we need to get them excited about the variety of career opportunities which exist not only now but also in the future."

Dr Michele Lawty-Jones, Director of the Lancashire and Employment Skills Hub.

Training solution enables NHS to fast-track job offers for vital roles.

Inspira supports employers to meet skills gaps across Cumbria and Lancashire. During 2022 we linked up with two hospital trusts to help the NHS recruit into vital positions.

Inspira worked with North Cumbria Integrated Care NHS Foundation Trust and Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust Group, to offer training for vacant domestic assistant positions in the NHS as part of its role in supporting employers from a range of sectors across the North-West.

In one of our highly successful fast-track seven-day programmes, Inspira worked with 23 applicants from across Cumbria. Every applicant that completed the training was guaranteed an interview with the NHS.

Job seekers from Wigton, Workington, and Whitehaven were among those who were coached and mentored in employability skills.

The programme covered topics such as CV advice, interview skills, NHS values, money advice and Better Off in Work calculations, along with role specific elements prior to interview.

We worked with the applicants to make sure they had the correct accreditation, were prepped for interviews and are ready for work.

Inspira's personal support is designed to equip people with the skills they need to get their careers back on track and empower them to successfully make the best possible representation of themselves at the interview stage.

Our experience of working with a wide range of organisations across Cumbria and Lancashire enables us to have the capability to deliver short, sharp, interventions which provide fast and long-lasting recruitment results. This type of partnership approach is a great way to deliver a solution which works really well for everyone involved.

"We are really pleased to be working in collaboration with Inspira on our current recruitment drive for Domestic Assistants in some of our community and hospital sites across both Workington and Carlisle.

This is hopefully just the beginning. We hope that our working relationship can continue to grow and that we can do similar projects again in the future that help support both Inspira, our Trust and the people of Cumbria."

Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust Group

Inspira helps Barrow Park Leisure Centre recruit new team members.

Inspira not only works with individuals requiring careers advice and guidance, but also works with and support employers; creating inspiring, innovative and sector specific employment programmes that help employers fill vacancies and help local people into work.

Barrow Park Leisure Centre had been struggling to recruit staff for a number of roles including a Pool Lifeguard, multi-sports coach, Health & Fitness Coach and Customer Service Assistant.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The Inspira Team at Barrow knew they could help by running a Pre- Employment Course with a guaranteed interview. Seven adults attended the programme, which covered topics such as application and CV advice, interview preparation, financial resilience and learning about Better-Off in Work calculations. Course attendees were also given free lunch and refreshments.

The course and subsequent interviews successfully resulted in three new team members for the leisure centre.

Aidan Murphy – Head of Operations, Barrow Park Leisure Centre said: "Working in partnership with Inspira has been invaluable in helping us fill the positions which we have been struggling with. The Pre-Employment Programme was the perfect opportunity for us to work together, helping us meet our specific business needs and to support unemployed adults quickly move into local jobs."

Connor one of the course attendees who successfully secured a role at the leisure centre as a Customer Service Advisor/Café Attendant said:

"I wanted and needed support to get a job. I knew I needed to learn something new and felt confident to attend Inspira for the Leisure Centre programme. It really made a difference to me meeting Aiden (the Leisure Centre Manager) on the first day of the programme. I got to know him and felt more confident applying for a job there.

"Having a free lunch really helped me too, as I wasn't eating much at the time, and I didn't realise the difference eating socially with others could make and found it mentally and physically empowering. I was on a low income and the free food and refreshments improved my health.

"In addition, the Money Management session was really helpful and made me think about the positive financial impact of getting a job."

Inspira's personal support is designed to equip people with the skills they need to get their careers back on track and empower them to successfully make the best possible representation of themselves at the interview stage.

Trucking on! From Iran to UK

After years living thousands of miles apart, Hawzhin finally reunited with her husband, got her own home in Lancashire and started her dream career.

Hawzhin's husband moved to the UK to try and improve his life, leaving her in Iran until he was settled in and she could follow him over.

Hawzhin continued working as an English Teacher but missed her husband and couldn't wait to be reunited with him again.

For two years they lived thousands of miles apart, Hawzhin in Iran, her husband in the UK. Eventually he qualified for the right to become a UK resident and was able to send a visa so she could join him.

Hawzhin admits that adjusting to her new life in a new country was a little challenging – not least of all because her teaching qualifications weren't recognised here, making it hard for her to find a job. She decided she needed to rethink her career path and, after a trip to the local Job Centre, was referred to Inspira.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

"I wasn't very hopeful that anything would come out of it," Hawzhin says, "but after just one session with Emma, my Careers Adviser, she managed to get me a job."

After giving up thoughts of carrying on with her teaching career, Hawzhin had decided she wanted to become a Truck Driver and had already taken the first steps in this new direction.

"Emma was so impressed when I told her I'd passed my UK driving test and obtained my Class 1 UK HGV Driving licence in just six months," Hawzhin proudly told us.

"Emma was so amazing, respectful and encouraging."

During the sessions support included re-writing Hawzhin's CV, building on the skills she had gained through her experience in Iran. Also, options for finding work were discussed, including hand delivering copies Hawzhin's CV to potential employers, so they could meet her in person."

Emma knew of a haulage company in her home town of Lancaster, which is not too far away from Preston where Hawzhin lives. Emma found a list of vacancies and a printable application form and arranged to print off copies of Hawzhin's CV, and the application form, and then put them in the post for her.

Hawzhin told us; "While looking at different companies, Emma mentioned one local firm and gave me their contact information. So, I emailed them, and they got back to me; something no other company had done."

After Hawzhin attended a few assessment days, she was offered her dream job!

c. Pension schemes

The Charity operates a defined contribution scheme for employees, managed on the Charity's behalf by Aviva.

The Charity previously operated a funded defined benefit pension scheme. The Charity exited the Greater Manchester Pension Fund, and with it, the local government pension scheme (LGPS) on 12th January 2023.

This action fulfilled a previous wider Board strategy of exiting LGPS without incurring further liabilities and obligations to the charity.

Significant benefits will accrue to the organisation in the future, leading to improved cashflow and profitability as well as other financial, operational and procurement opportunities.

d. Investment policy and performance

In the current economic climate investment returns are improving and the Charity continues to generate interest through its interest-bearing accounts 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

e. Factors relevant to achieve objectives

Our People:

During the year we had a team of 145 dedicated members of staff who work hard to secure the best possible outcomes for our beneficiaries. We work hard to support and develop the team as well as celebrate success. We come together every year to share success and tackle issues that are important to staff. This year 'mental toughness' and 'money matters' were the themes.

We make sure we ask for the teams' opinions. In our most recent survey 96% of team would recommend Inspira as an employer and 96% think we help them achieve work life balance. We take the safeguarding of both staff and beneficiaries very seriously. The Trustees receive a safeguarding update at every Board meeting and a full annual review. We have a People and Performance Committee that scrutinise a range of indicators.

We are a disability confident employer and amongst other accreditations we have achieved the ISO27001 Information Security Standard.

Partnerships

We work hard to develop and sustain productive partnerships. As well as our major programmes we collaborate and work in partnership to deliver a range of services to help people develop their employability skills.

We work closely with county councils, unitary authorities and district councils across both the Cumbria and Lancashire Local Enterprise Partnership footprints. We work with schools and colleges, Pupil Referral Units (PRUs) and Multi Academy Trusts (MATs) to deliver outcomes to young people in varied educational settings. With staff shortages being a problem for businesses and consumers alike, the tight labour market is affecting many sectors of the economy. Inspira is actively working in partnership and supports a diverse range of employers; creating inspiring, innovative and sector specific employment programmes that help them fill their workforce needs and help local people into work.

Partnerships continued

The Trustees regularly review the Charity's approach to stakeholder engagement and to deliver maximum impact to its beneficiaries.

We deliver contracts on behalf of :

Cumberland Council
Cumbria County Council
DWP
Education & Skills Funding Agency
EDT
G4S
Lancashire County Council
Maximus
Seetec
Westmorland and Furness Council

We have also received funding from :

Blackpool council
Cumbria Local Enterprise Partnership
NCS Trust
Cavendish Nuclear
REACT Foundation
Eden District Council
RE:Vision
The Growth Company

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

At 31 March 2023, free reserves stood at £1,059,894. This fell just short of the three months running costs stated in this policy.

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 2023 the Charity had 13 members, the individuals who are the trustees and four corporate bodies:

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

As at 1st April 2023 Cumbria County Council no longer existed and in consultation with the remaining corporate members it was resolved the individuals who are the trustees would be the only members.

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

There have been no changes to the charitable objects since the last annual report.

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TRUSTEES' REPORT (CONTINUED)
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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 via widespread advertising and by partner organisations or serving directors/trustees and have the necessary skills and experience to complement the current Board.

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.

c. Policies adopted for the induction and training of Trustees

Every year Trustees carry out an annual Board evaluation which includes an online survey and analysis or results at the subsequent Board meeting. The evaluation covers areas such as:

- Organisational purpose
- Leadership
- Strategy
- Internal control and compliance
- Board behaviours
- Risk capability
- Board development

The Charity is in the process of benchmarking against the Charity Governance code.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

e. Organisational structure and decision making

The Company was established in March 2001. 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, delivery Director, 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 Charity has a policy of being risk aware as opposed to risk adverse.

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

- Loss of main contracts due to change in government policy, competition, poor performance, unviability
- 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 or health and safety of staff or beneficiaries
- Failure to deliver strategy

Future development

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 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 five-year strategy. Based on the success of the previous strategy it covers

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

Plans for future periods

We are working closely with existing commissioners to further develop our work and actively seek new partners to work with. We are looking forward to delivering work through UK Shared Prosperity Fund building on previous ESF projects and are excited to be delivering in partnership with new and existing local authorities. We are looking forward to delivering more opportunities to unemployed adults through a new contract which with ESFA.

As a charitable company delivery mainly publicly funded work we are monitoring all political parties policies in our field.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Future Public Benefit

Demand for employability services from both a beneficiary and employer perspective continues to grow. We have seen a growth in the number of beneficiaries we support and we expect this to continue. We expect a growth in support to young people.

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.

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:

Mark Bowman

Mark Bowman (Dec 8, 2023 14:21 GMT)

Mr M Bowman
Trustee

Date: 08/12/2023

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 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

Armstrong Watson Audit Limited

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

Date: 12-12-2023

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Charitable activities	3	5,767,370	393,635	6,161,005	5,404,036
Exceptional income	4	75,639	-	75,639	-
Investments	5	29,667	-	29,667	18,204
Other income	6	30,414	-	30,414	41,027
Total income		5,903,090	393,635	6,296,725	5,463,267
Expenditure on:					
Raising funds		-	-	-	39,000
Charitable activities	7	5,552,912	379,047	5,931,959	5,057,005
Total expenditure		5,552,912	379,047	5,931,959	5,096,005
Net income		350,178	14,588	364,766	367,262
Transfers between funds	17	(5,058)	5,058	-	-
Net movement in funds before other recognised gains		345,120	19,646	364,766	367,262
Other recognised gains:					
Defined benefit pension scheme		686,000	-	686,000	2,885,000
Net movement in funds		1,031,120	19,646	1,050,766	3,252,262
Reconciliation of funds:					
Total funds brought forward		867,825	8,304	876,129	(2,376,133)
Net movement in funds		1,031,120	19,646	1,050,766	3,252,262
Total funds carried forward		1,898,945	27,950	1,926,895	876,129

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

The notes on pages 23 to 44 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	489,050	473,344
Investment property	13	350,000	350,000
		<u>839,050</u>	<u>823,344</u>
Current assets			
Debtors	14	530,496	794,765
Cash at bank and in hand		1,607,133	1,394,769
		<u>2,137,629</u>	<u>2,189,534</u>
Creditors: amounts falling due within one year	15	(1,009,122)	(1,382,278)
Net current assets		<u>1,128,507</u>	<u>807,256</u>
Total assets less current liabilities		<u>1,967,557</u>	<u>1,630,600</u>
Creditors: amounts falling due after more than one year	16	(40,662)	(68,471)
Net assets excluding pension asset / liability		<u>1,926,895</u>	<u>1,562,129</u>
Defined benefit pension scheme asset / liability		-	(686,000)
Total net assets		<u><u>1,926,895</u></u>	<u><u>876,129</u></u>
Charity funds			
Restricted funds:			
Restricted funds	17	27,950	8,304
Unrestricted funds			
General funds	17	1,898,945	1,553,825
Unrestricted funds excluding pension	17	1,898,945	1,553,825
Pension reserve	17	-	(686,000)
Total unrestricted funds	17	<u>1,898,945</u>	<u>867,825</u>
Total funds		<u><u>1,926,895</u></u>	<u><u>876,129</u></u>

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:

Mark Bowman

.....
Mr M Bowman
Trustee

Date: 08/12/2023

The notes on pages 23 to 44 form part of these financial statements.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	298,934	520,906
Cash flows from investing activities		
Dividends, interests and rents from investments	13,582	18,460
Purchase of tangible fixed assets	(67,824)	(59,963)
Net cash used in investing activities	(54,242)	(41,503)
Cash flows from financing activities		
Repayments of borrowing	(32,328)	(145,031)
Net cash used in financing activities	(32,328)	(145,031)
Change in cash and cash equivalents in the year	212,364	334,372
Cash and cash equivalents at the beginning of the year	1,394,769	1,060,397
Cash and cash equivalents at the end of the year	1,607,133	1,394,769

The notes on pages 23 to 44 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 2023

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 £1,128,507, net assets of £1,926,895 and a strong cash position of £1,607,133.

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 2023

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 centrally.

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.

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 2023

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

During the year, the charity participated in a multiemployer defined benefit plan for certain employees. The charity exited the scheme on 12 January 2023. 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 comparative year of the Statement of financial position in respect of the defined benefit plan was 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 was calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value was 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 was 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 were charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, have been 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 was calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost was 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.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 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 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (continued)

1.19 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.

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

On 12 January 2023 the charity exited the defined benefit scheme. As a result, no liability exists as at 31 March 2023.

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. In the prior year, the assumptions used in determining the net cost (income) for pensions include the discount rate. As there was not an actuarial valuation available at the date of cessation, the directors have used judgement to benchmark assumptions in the current year and value the other recognised gain on the scheme up until the 12 January 2023. Note 21 outlines why the directors are comfortable that a reasonable closing position is reflected in the financial statements.

INSPIRA CUMBRIA LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
CIAG (Cumbria County Council)	1,044,544	-	1,044,544
National careers service (ESFA)	396,674	-	396,674
NEET prevention and reduction (DWP)	289,179	-	289,179
Enterprise adviser network (CEC/Lancs LEP)	623,626	-	623,626
The Key (ESFA)	742,248	-	742,248
NCS 2022	1,025,431	-	1,025,431
NCS 2020 (NCS Trust)	-	-	-
NCS 2021	(13,139)	-	(13,139)
Restart (G4S)	1,069,571	-	1,069,571
The Link (DWP)	351,398	-	351,398
Other contracts (Various)	237,838	393,635	631,473
Total 2023	5,767,370	393,635	6,161,005

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
CIAG (Cumbria County Council)	1,044,544	-	1,044,544
National careers services (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	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
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4. Exceptional income

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
VAT rebate	75,639	75,639	-

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	29,667	29,667

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	18,204	18,204

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £
Other income	16,832	16,832
Interest receivable	13,582	13,582
	<u>30,414</u>	<u>30,414</u>

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6. Other incoming resources (continued)

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

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Direct costs	5,552,912	379,047	5,931,959

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Direct costs	4,980,634	76,371	5,057,005

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs	5,184,866	747,093	5,931,959

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8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs	4,403,287	653,718	5,057,005

Analysis of direct costs

	Direct Costs 2023 £	Total funds 2023 £
Wages and salaries	4,273,017	4,273,017
Subcontractor costs	336,633	336,633
Recruitment and staff training	97,678	97,678
Travel and motor expenses	154,027	154,027
Vehicle leasing charges	171	171
Advertising, conventions and shows	37,714	37,714
Bank charges	2,953	2,953
Property costs	210,659	210,659
Meeting room hire and refreshments	72,014	72,014
	<u>5,184,866</u>	<u>5,184,866</u>

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Direct Costs 2022 £	Total funds 2022 £
Net pension finance costs	78,000	78,000
Wages and salaries	3,633,403	3,633,403
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
	<u>4,403,287</u>	<u>4,403,287</u>

Analysis of support costs

	Support Costs 2023 £	Total funds 2023 £
Wages and salaries	100,006	100,006
Depreciation	52,118	52,118
Office expenses	292,123	292,123
Interest payable	5,093	5,093
Audit and accountancy fees	23,530	23,530
Legal and professional fees	14,051	14,051
Trade subscriptions	22,786	22,786
Sundry expenses	184,792	184,792
Irrecoverable VAT	52,594	52,594
	<u>747,093</u>	<u>747,093</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	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 and professional 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>

9. Auditors' remuneration

	2023 £	2022 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	14,000	10,000
Fees payable to the charity's auditor in respect of: All non-audit services not included above	<u>3,150</u>	<u>3,550</u>

10. Staff costs

	2023 £	2022 £
Wages and salaries	3,634,457	3,271,944
Social security costs	329,416	271,180
Contribution to pension schemes	409,151	183,305
	<u>4,373,024</u>	<u>3,726,429</u>

Included in the financial statements are redundancy costs totalling £36,042 (2022 - £Nil) and payments in Lieu of Notice of £27,342 owed to staff members, Amounts outstanding are included in accruals at the year end.

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10. Staff costs (continued)

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

	2023	2022
	No.	No.
Employees	145	133

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	-	2
In the band £90,001 - £100,000	1	1

Key management personnel for the year was comprised of 5 people (2022 - 5). The aggregate remuneration of key management personnel in the year was £419,721 (2022 - £413,130).

11. Trustees' remuneration and expenses

No trustees received payment for their role as a Trustee.

One trustee received remuneration amounting to £93,025 in the current year (2022 - £93,026) for their services as Chief Executive Officer.

During the year ended 31 March 2023, £84 (2022 - £Nil) expenses were reimbursed to trustees for their role as a trustee.

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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 2022	473,951	213,767	80,257	368,781	1,136,756
Additions	-	-	16,579	51,245	67,824
At 31 March 2023	<u>473,951</u>	<u>213,767</u>	<u>96,836</u>	<u>420,026</u>	<u>1,204,580</u>
Depreciation					
At 1 April 2022	76,626	191,895	76,076	318,815	663,412
Charge for the year	10,575	5,064	5,324	31,155	52,118
At 31 March 2023	<u>87,201</u>	<u>196,959</u>	<u>81,400</u>	<u>349,970</u>	<u>715,530</u>
Net book value					
At 31 March 2023	<u>386,750</u>	<u>16,808</u>	<u>15,436</u>	<u>70,056</u>	<u>489,050</u>
At 31 March 2022	<u>397,325</u>	<u>21,872</u>	<u>4,181</u>	<u>49,966</u>	<u>473,344</u>

13. Investment property

	Freehold investment property £
Valuation	
At 1 April 2022	350,000
At 31 March 2023	<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.

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14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	125,123	340,119
Other debtors	367,304	403,852
Prepayments and accrued income	38,069	50,794
	<u>530,496</u>	<u>794,765</u>

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	30,250	28,970
Trade creditors	15,428	65,557
Other taxation and social security	68,583	270,346
Other creditors	31,914	32,552
Accruals and deferred income	862,947	984,853
	<u>1,009,122</u>	<u>1,382,278</u>

Secured loans

Bank loans falling due within one year of £30,250 (2022 - £28,970) 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 Castle View, Gillan Way, Penrith 40 Business Park, Penrith, CA11 9BP.

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

	2023 £	£
Bank loans	<u>40,662</u>	<u>68,471</u>

Included within the above are amounts falling due as follows:

	2023 £	2022 £
Between one and two years		
Bank loans	<u>40,662</u>	<u>68,471</u>

Secured loans

Bank loans falling due after more than one year of £40,662 (2022 - £68,471) 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 Castle View, Gillan Way, Penrith 40 Business Park, Penrith, CA11 9BP.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General funds	1,553,825	5,903,090	(5,552,912)	(5,058)	-	1,898,945
Pension reserve	(686,000)	-	-	-	686,000	-
	<u>867,825</u>	<u>5,903,090</u>	<u>(5,552,912)</u>	<u>(5,058)</u>	<u>686,000</u>	<u>1,898,945</u>
Restricted funds						
Eden youth hub	5,641	48,409	(54,050)	-	-	-
Self employment project	2,663	13,896	(9,790)	-	-	6,769
Ready for work - Blackpool (CRF)	-	93,741	(98,799)	5,058	-	-
Selnet	-	74,981	(70,524)	-	-	4,457
UK Shared Prosperity Funds	-	162,608	(145,884)	-	-	16,724
	<u>8,304</u>	<u>393,635</u>	<u>(379,047)</u>	<u>5,058</u>	<u>-</u>	<u>27,950</u>
Total of funds	<u>876,129</u>	<u>6,296,725</u>	<u>(5,931,959)</u>	<u>-</u>	<u>686,000</u>	<u>1,926,895</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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.

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.

Ready for work - Blackpool (CRF)

Funded by the Community Renewal Fund, via Blackpool Borough Council, the programme 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 which is available when individuals are considering career paths and moving into work.

Selnet

Funded by the Building Better Opportunities Programme, via Selnet Limited, the project aims to engage and inspire the most disadvantaged young people resident in the Lancashire LEP area. It will target 16-24 year olds who are unemployed or economically inactive with multiple social, emotional and economic barriers. It will provide a personalised approach to address a wide range of needs and barriers to move participants closer to employment.

UK Shared Prosperity Funds

Funded by the UKSPF, via local councils, the project addresses several issue and needs impacting upon the local labour market and the economic prospects of residents by providing unemployed/economically inactive participants with focused, practical support to boost their employability and help them move quickly into jobs. Each programme is tailored to the needs of an individual employer or local growth sector.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	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>-</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)	-	-	-
Selnet	-	12,763	(10,100)	-	-	2,663
UK Shared Prosperity Funds	-	-	-	-	-	-
	<u>23,652</u>	<u>61,023</u>	<u>(76,371)</u>	<u>-</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>-</u>	<u>2,885,000</u>	<u>876,129</u>

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

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	489,050	-	489,050
Investment property	350,000	-	350,000
Current assets	2,109,678	27,950	2,137,628
Creditors due within one year	(1,009,122)	-	(1,009,122)
Creditors due in more than one year	(40,662)	-	(40,662)
Total	1,898,944	27,950	1,926,894

Analysis of net assets between funds - prior 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	867,825	8,304	876,129

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	364,766	367,262
Adjustments for:		
Depreciation charges	52,118	40,999
Defined benefit pension scheme gains	-	61,000
Dividends, interests and rents from investments	(13,582)	(18,460)
(Increase)/Decrease in debtors	264,269	(321,229)
Increase/(Decrease) in creditors	(421,231)	338,740
Irrecoverable VAT	52,594	52,594
Net cash provided by operating activities	298,934	520,906

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	1,607,133	1,394,769
Total cash and cash equivalents	1,607,133	1,394,769

21. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,394,769	212,364	1,607,133
Debt due within 1 year	(28,970)	(1,280)	(30,250)
Debt due after 1 year	(68,471)	27,809	(40,662)
	1,297,328	238,893	1,536,221

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22. Pension commitments

The charity operates a defined contribution scheme for employees. The pension cost charge for the year amounted to £391,192 (2022 - £239,227) and outstanding contributions at the balance sheet date amounted to £31,614 (2022 - £32,552).

During the year, the charity participated in a multiemployer defined benefit plan for certain employees. The charity exited the scheme on 12 January 2023. The liability recognised in the comparative period in respect of this scheme in the Statement of Financial Position was £686,000.

In the prior year, the contributions were determined by a qualified actuary on the basis of the latest triennial valuation using the projected unit method. Post year end, the charity received a Final Cessation Valuation Report prepared by a qualified actuary suggesting a final cessation debt of £27,000. This debt was formally waived by the Greater Manchester Pension Fund resulting in all the charity's obligations under the scheme being settled as at 12 January 2023.

Estimated movements in the present value of the defined benefit obligation and the fair value of the charity's share of assets up until the date of exit:

	2023 £
Movements in the present value of the defined benefit obligation were as follows:	
Opening defined benefit obligation	(33,942,000)
Effect of curtailment	32,570,000
Gain on curtailment	1,372,000
Movements in the fair value of the charity's share of scheme assets were as follows:	
Opening fair value of scheme assets	33,256,000
Remeasurement of assets	(686,000)
Effect of curtailment	(32,570,000)
Net position recognised in the statement of financial position	-

23. Operating lease commitments

The charity had no commitments under non-cancellable operating leases at 31 March 2023.

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NOTES TO THE FINANCIAL STATEMENTS
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24. Related party transactions

During the year, the charity invoiced £Nil (2022: £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.

The charity also paid £2,000 membership subscription costs to Careers England, a charitable company where a trustee is also a director (2022 - £2,000)

Other related party transactions are disclosed in notes 9 and 10.

25. Controlling party

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