

Inspire Community Trust

Report of the Board of Trustees for the period from 1 April 2020 to 31 March 2021

Chair's Introduction

This year has been an unprecedented year because of the Covid 19 Pandemic and I must thank our staff for all their hard work and dedication. Even with the National lockdown and restrictions our staff continued to deliver services to the service users for promoting their independence and to manage safely in their environment.

Despite the issues created by Covid we continued to forge ahead with our plans to invest in our new premises development at Maidstone Road Sidcup site acquired in December 2020.

During the challenging environment, Inspire managed within its resources and continued to support its subsidiary – Blossoms residential home for premises improvement in accordance with the action plan submitted to CQC to improve its quality rating. In addition, appropriate steps were taken to develop Covid safe environment conducive for infection prevention and control. For this we received some support from the Government via the local authority. I would like to express our gratitude this.

We continued to support our staff through appropriate advice and mandatory training for infection prevention and control to ensure their safety as well as the safe delivery of services to our service users.

I would like to thank our senior managers for steering the organisation through these difficult times and the front-line managers who, despite these unprecedented times, provided leadership and support to their teams on day-to-day basis to ensure efficient and effective delivery of services.

Regrettably, this completion of our Company financial statement for 2020-21 accounting period has been delayed due to unavoidable circumstances.

Finally, I would like to thank the Trustees for their time, their hard work and for their support to me and Inspire Community Trust.

Ranjit Bhamra

A handwritten signature in black ink, appearing to read 'Ranjit Bhamra', with a stylized flourish at the end.

Chair
Inspire Community Trust

Inspire Community Trust

Report of the Board of Trustees for the period from 1 April 2020 to 31 March 2021

1. Reference & Administration Details

Inspire Community Trust was formed in and incorporated by guarantee on 24 November 2004. It has no share capital and is a registered charity. The guarantee of each trustee is limited to £1. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are the Directors of the company.

2. Governance, Structure & Management

2.1 Governance

The Board presents the report and financial statements of Inspire for the year ended 31 March 2021. The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; the Charities Act 2011 and UK Generally Accepted Practice.

The report and statements also comply with the Companies Act 2006 as Inspire is a Company limited by guarantee.

The Trustees' Report is also a Directors' Report for the purposes of Company Law.

The Strategic Report is included at item 5 within this report. Inspire has no share capital and is a registered charity. The guarantee of each member is limited to £1.

The governing document is the Articles of Association of the company and members of the Board of Trustees are the members and non-executive Directors of the Company.

The Board of Trustees continues to be supported by a number of Committees, which include Trustees with relevant skills. They include the following:

- Development
- Finance and (HR) Sub-committee

Each Sub-committee is required to have its own clear terms of reference agreed by the Board. The Sub-committees meet on a regular basis and their reports are standing agenda items on the full Board meetings. The Chief Executive's report is also a standing item on the Board's agenda.

2.1.1 Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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Report of the Board of Trustees for the period from 1 April 2020 to 31 March 2021

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

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 charitable company and of its net incoming or outgoing resources for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees give strategic direction to the Trust and ensure that:

- the management team runs the Trust professionally and in accordance with its rules and objectives
- it meets its statutory, financial and legal responsibilities.

2.1.2 Disclosure of Information to Auditors

Insofar as each of the Trustees of the company at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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2.2 Structure

Inspire is a company limited by shares with Inspire being the only shareholder.

Inspire's Articles of Association provide for a minimum of 3 and a maximum of 15 Trustees. Trustees are appointed for a fixed term of three years, with each new appointment to be reviewed after the first year.

The Board continually keeps under review its membership and the breadth of skills and expertise to ensure proper governance. When required, it seeks to appoint new Trustees. Prior to appointment, potential Trustees will meet with the Chairman and Chief Executive and Trustees.

When new Trustees are appointed, each Trustee is provided with information, including the organisation's principal policies and procedures and Charity Commission Guidance. New Trustees meet with the Chairman and the Chief Executive and are invited to visit the offices and services.

During the year the Board of Trustees met on 4 occasions via Zoom meetings due to the Covid 19 Pandemic restrictions. Unfortunately, the Sub-committees were unable to meet during this period. However, agenda issues related to the Sub-committees were discussed at the Board meetings.

Day-to-day responsibility for the management of the organisation's business is delegated to the Chief Executive as detailed in Standing Orders. The Chief Executive is the principal adviser to the Board of Trustees and reports to them on the organisation's performance against the Strategic and Operational plans approved by the Board each year.

2.3 Management & Staffing

The Trust's structure has been designed to provide clear direction to the Trust, with the Chief Executive working closely with the non-executive Board of Directors to set the strategic framework for the Trust and to ensure the Executive Team runs the Trust professionally and in accordance with its rules, objectives and standing orders.

The Chief Executive has responsibility for developing and delivering services in accordance with the service specifications of the Commissioning Authorities such as the Local Authorities and the NHS Clinical Commissioning Groups (NHS CCG's), and the strategies agreed by the Board of Trustees. He ensures that the staff teams are recruited and supported to provide the skills and expertise needed to run a successful organisation and that the values of the Trust are observed, and services are delivered efficiently and effectively in accordance with the contracts with the commissioners of services/funders.

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During this financial period the Chief Executive was supported by a team including a Director of Operations, Commercial and Development Director, Head of Finance and Operational Managers for each of the service area. The two director level positions also have the responsibility of assisting the Chief Executive with strategic developments and undertaking delegated management responsibilities in the absence of the Chief Executive, as required.

During the period of this report the Trust employed approximately 100 staff and had revised its management structure for the effective operational management of the Trust. The Trust engages agency and freelance staff in order to meet its staffing requirement, as appropriate. The Chief Executive also has the delegated responsibility for commissioning and managing appropriate Human Resources (HR) and Information and Communication Technology (ICT) support required by the Trust.

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Report of the Board of Trustees for the period from 1 April 2020 to 31 March 2021

2.4 Staff Training and Development

One of the core values of the Trust is investing in staff to develop their skills and potential. Hence, the Trust provides appropriate training and development opportunities in order to ensure that they are fully equipped to perform their duties. Staff training needs are systematically identified by the line managers in discussion with each member of staff as part of their performance appraisal and development review each year. This leads to preparing a training plan and commissioning appropriate training for individual members of staff or as a group, where appropriate. The training plan is implemented in partnership with the key commissioners. Inspire staff also access training co-ordinated by the local voluntary Service Council - Bexley Voluntary Service Council.

In addition, face to face training days for mandatory training requirement such as moving and handling, safeguarding vulnerable adults are held at Inspire during the year for all staff to enable them to function safely and effectively.

As part of our contracts for the delivery of services on behalf of local authorities and the NHS Clinical Commissioning Groups we are required to demonstrate to them that Inspire has robust health and safety management systems and processes in place. To this end we have arrangements in place for the professional support for developing, implementing and monitoring systems and procedural manuals to comply with legislation and our ISO accreditation. Currently we commission the professional support from Citation and a specialist consulting company, Wisser Safety Management Ltd., to:

- review our health and safety management systems;
- provide out-sourced Human Resources support for the trust
- provide support to managers for:
 - health and safety (H&S) related matters;
 - Quality Management;
 - Environmental Management; and
- assist the Chief Executive with the annual review CHAS accreditation, ISO 9001 and ISO 14001 accreditations with the QMS

2.5 Disabled Persons

Inspire is committed to equality of employment and its policies reflect a that. Where appropriate and possible we seek to employ people with disabilities and make positive adjustments to ensure people with disabilities can carry out their duties.

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2.6 Volunteers

Inspire and its service users are fortunate to benefit from volunteers who support our services.

Unfortunately, due to the Covid 19 Pandemic our volunteers were unable undertake their volunteering activities and raise any funds during this financial year.

2.7 Statement of Public Benefit

Under the Charities Act 2011, charities are required to demonstrate that their aims are for the public benefit. The two key principles which must be met in this context are, firstly, that there must be an identifiable benefit or benefits; and, secondly, that the benefit must be to the public, or a section of the public. Charity Trustees must ensure that they carry out their charity's aims for the public benefit, must have regard to the Charity Commission's guidance and must report on public benefit in their Annual Report.

Inspire's Board of Trustees regularly monitor and review the success of the organisation in meeting its mission, values and objectives which are supported by the business plan.

Inspire's mission is to work in partnership with communities to enable, empower and enhance the lives of older people and people with disabilities.

It aims to:

- Promote independence for older people and people with disabilities;
- Encourage them to take control of their lives; and
- Support them, when required, to meet their individual needs.

It achieves its aims by:

- Providing a wide range of services of the highest standard by working in partnership with people who have disabilities, local communities and organisations;
- Being flexible and providing choices;
- Recognising the importance of cultural diversity;
- Raising awareness and promoting social inclusion;
- Investing in staff to develop their skills and potential
- Developing innovative projects and services.

The Trustees confirm, in the light of the guidance, that Inspire's mission and values fully meet the public benefit test and that all the activities of the charity, detailed under section 4 of this report, are undertaken in pursuit of its mission.

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3. Objectives

The objectives for which the Company is established are the relief of persons permanently or temporarily resident, or for the time being resident in England, “who are of necessitous circumstances, suffer from, are recovering or convalescing from some physical or mental illness or disability, or are elderly people, or are younger people, adolescents or children”.

Our Strategic Objectives are to:

- be the provider of choice
- be a great company to work for
- improve our financial strength

4. Activities

Inspire has continued to develop and provide a range of services in accordance with the service specification and action plan agreed with the commissioners/funders of services. They include:

- Advocacy and Support with Communication
- Assessment of Daily Living Skills, Training, Rehabilitation
- Moving & Handling assessments
- Day Activity and Skill and Support Service
- Short Breaks and “Have a Go” Accommodation
- Direct Payments Support and Brokerage Service
- Employment & Training Support
- Integrated Community Equipment Service (ICES)
- Pressure Relieving Equipment
- Equipment Demonstration, “Try & Buy” – Living Solutions
- Housing Occupational Therapy
- Information and Advice
- Transport Advice and Information (Blue Badge, Freedom Pass, Taxicard)
- Physical Disability Registration
- Raising Awareness and Changing Attitudes - Disability Training
- Sensory Support for People with Hearing and Sight Difficulties
- Wheelchair Service
- Support for Young People, Disabled Parents and Carers
- Support with Access to Mainstream Services such as Leisure, Sport, Education etc.
- Residential Care for older people with dementia

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Facts and Figures

Service Referrals	Target	Outturn	Comments
Moving & Handling assessments	578	330	43% below target due to reduced activity during the Pandemic lockdown/restrictions
Day Activity and Skill and Support Service Attendances (Per annum)	5,000	1400	72% below the target due to Covid 19 lockdown/restrictions
Direct Payments Support and Brokerage Service	180	192	6.7% above the target
Integrated Community Equipment Service (ICES) (Per annum)	31,500	32,291	2.5% above the target due to higher demand
Housing Occupational Therapy (Per annum)	400	253	36.8% below the target due to fewer referrals during the Covid 19 lockdown/restrictions
Freedom Passes (Per annum)	288	362	25.7% above the target due to higher demand arising from periodic re-issue of passes
Blue Badges (Per annum)	3360	3233	3.8% below the target due to fewer applications
Sensory Support for People with Hearing and Sight Difficulties	600	349	41.8% below the target due to fewer referrals during the Covid 19 lockdown/restrictions
Wheelchair Service (Per annum)	865	633	26.8% below the target due to fewer referrals during the Covid 19 lockdown/restrictions higher demand
Residential Care for Older People with Dementia	22 Bed	Around 70% occupancy rate	Low level of occupancy due to Covid 19 Pandemic

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5. Strategic Report

5.1 Achievements and Performance against Objectives set

Inspire has continued to follow the action plan, incorporating developments, as agreed with the Commissioning bodies and in accordance with its business plan. The action plan has been monitored and kept under review through regular meetings with Inspire staff and the Commissioning bodies and the Board of Trustees. Our key achievements this year have included:

- Delivered services in accordance with commissioners' specifications, However, due to the National lockdown and restrictions due to the Covid Pandemic Inspire was below target in most key areas.
- reviewed policies and procedures with the view to maximising efficiencies and effectiveness of services.
- The continued efficient running of the organisation in order to reduce costs and enhance competitiveness of Inspire. This has enabled us to reduce our running costs compared with the previous year's level.
- Developed/enhanced partnership working with the local voluntary sector to be able to participate in developments as the needs and opportunities arise to support the local communities with the health and social care needs. This led to becoming a key partner in the OneBexley Consortium of eight voluntary organisations for working on a pilot project to deliver additional community-based services such as Care Act Assessments, less complex equipment assessments and case reviews etc.
- Progressed the plans for developing the Trust owned property acquired in December 2019 at Maidstone Road Sidcup for the integration of all community services on one site.
- Successful integration of the new services into the Trust following the acquisition Apex medical Ltd. in February 2020 and transfer of the Greenwich Wheelchair Service from the Oxleas NHS Trust in December 2019;
- Established new systems and process for efficient and effective management of Blossoms Care Home Ltd. As part of Group of Companies under the Trust.
- Continued safe delivery of services since the start of the Covid 19 Pandemic, periodic complete and partial lockdown restrictions.

5.2 Monitoring Service Delivery and Quality Assurance

Inspire Community Trust has robust service monitoring in terms of service volumes and targets as well as quality monitoring systems in place. The data gathered regarding service volumes is produced on a monthly basis in

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preparation for quarterly contract monitoring meetings with the commissioner/funders of services. This data is also reported at Board meetings.

The Trust has ISO 9001 accreditation with Quality Management Systems (QMS) and has robust quality assurance systems in place, which include:

- spot checks
- customer satisfaction surveys
- monitoring visits and meetings by/with commissioners / funders of services
- individual client reviews undertaken by Inspire Community Trust staff
- complaints procedure ensuring a fast and effective means of following up and resolving any difficulties experienced by service users.
- feedback from service users and other stakeholders at regular forums.
- Audit and review of services

5.3 Financial Review

The financial statements for 2020/21 have been updated in line with FRS102 and the comparatives for 2019/20 have been restated where required. The information below shows an analysis of net income.

The financial statements for 2020/21 show a surplus of £293,675

- Net Incoming resources were £5,767,383 (70.7%) higher than the previous year (2019/20) which was £3,378,624.
- The net surplus this financial accounting period was £293,675 compared with £46,877 surplus for 2019/20 and increase of £246,798.

Inspire Community Trust's trading arm set up in March 2018, Inspire Medicare, achieved a net surplus of £35,132 which will be gift aided to the Trust.

The increase in surplus was mainly due to:

- The efficient running of the organisation;
 - The acquisition of the local operation of Apex medical Ltd. as the Medicare Service at Inspire from February 2020; and
 - New business (Greenwich Wheelchair Service) in December 2019.
- Inspire's total Group asset value at the end of 2020/21 was £8,109,815 with an increase of 3.5% on the 2019/20 balance of 7,830,140.

5.4 Risk Assessment

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The Board of Trustees has considered the risks to which the charity is exposed to in terms of the business, operational and financial risks.

Risk factors to the charity continue to include:

- Changes in the Government regulations and local authorities' cost reduction programme for social care services.
Greater emphasis by local authorities for funding social care through direct payments and less emphasis on and a move away from block service contracts with the independent providers.
- Dependency on major income source/s limited to just one local authority and NHS CCG. The ending of contract term for the exiting service contract with the London Borough of Bexley and the Greenwich NHS CCG in August 2021.
- Changes in adult social care arising from local Councils agenda.
- Local authorities' focus on procuring services under "Framework – spot Purchasing Contracts" as opposed to Block contracts.
- The lifespan of Inspire's Block contracts with end dates in August 2021.
- Working capital required for meeting the gaps in funding and being able to make payments to outstanding creditors in the event of any major delay in the income from the commissioners of Inspire's services.
- Redundancy and other related staff costs arising from:
 - any significant reduction in existing income
 - ending of grant funding for particular projects/service agreements
- Increases in the staff and other running costs which may rise progressively due to the agreements with staff transferred from Bexley Council to the Trust and an NHS organisation under Transfer of Undertaking and Protection of Employment (TUPE) regulations.
- Breakdown of the Information and Communication Technology (ICT) systems.
- Issues arising from an event/s of a major incident or emergency.
- Increase in the building and property costs for rent as well as for planned refurbishment and improvements.
- Impact of financial constraints on local authorities.
- Risks posed by the Covid 19 for operating services.

The CEO along with the management team has continued to review and introduce procedures and reporting regimes to manage and mitigate identified risks. Having considered the issues faced by the Trust, the CEO has been focusing on assessing and identifying steps to be taken to manage the above risks. This has helped to formulate a risk management strategy and a reserves policy.

Inspire intends to work positively with the relevant stakeholders in connection with the above issues and develop appropriate services in partnership with the commissioners and service users.

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The charity's financial strategy is to:

- Provide services as efficiently and effectively as possible and reduce costs through efficiencies.
- To spread the risk with regards to funding by developing new independent services over the coming years and to instigate a diversification plan in order to maintain Inspire's financial viability, and to enable the charity to continue to deliver an excellent standard of services that represents good value for money.
- Be proactive in developing a range of new and innovative services to take on the opportunities for the "Third Sector" arising from the changes in the Government regulations with regards to social care services.
- To take necessary steps to minimise the possibility of health and safety related claims by ensuring that:
 - staff are appropriately trained to deal with health and safety related matters in accordance with Inspire's policies and procedures
 - appropriate investment is made for assessing health and safety related risks
 - areas of improvements recommended by health and safety specialist audits are acted upon
 - uninsurable health and safety losses are provided for in the business planning process.
- To continually review the charity's risk and reserves policy and to ensure adequate reserves are held to meet unfunded costs and/or any likely funding gaps.

Work continues to review and introduce procedures and reporting regimes to manage and reduce identified risks.

5.5 Funding Policy - Plans for 2021/2022 and Beyond - Future Developments & New Services

Since its establishment in 2004, Inspire's main source of income has been from the contracts with the Local Authorities and the NHS Commissioning Bodies. In addition, the Trust also generates income from spot purchases by the Commissioning Bodies and private customers using their Direct Payment Funding by the local authorities and their private funds.

The Trust will also continue to seek to widen its customer base and services by:

- contracting with other health and social care organisations to provide physical and sensory impairment services

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- contracting with other organisations to provide services to people who are disadvantaged due to disability, deprivation and social isolation
- developing and providing a range of services directly to the wider community.

Inspire will continue to adhere to this strategy and continue to expand its area of operation in terms of the range of services provided as well as the number of commissioning bodies it can develop partnerships with.

These may include further expansion of:

- information and advice service
- equipment sales service and the personal assistance and care agency in the coming years in order to deliver services to people with individual budgets/direct payments from the local authorities as well the individuals who wish to purchase services with their own resources – “Self-Funders”
- enhancing its business/sale of the disability equipment showroom/shop by online sales.

We will continue to:

- Promote social inclusion, raising awareness, changing attitudes
- Work with stakeholders to enable people to access mainstream services
- Work with stakeholders to improve accessibility to buildings and transport
- Promote outreach services closer to where people live
- Develop services for disabled children and young people
- Offer support to younger people and parents with physical and sensory impairment

5.6 Reserves Policy

The Trustees have examined Inspire Community Trust’s requirements for reserves in the light of the predominant risks to the organisation. It is the Trustees’ view that the building maintenance and development reserve will enable Inspire to maintain its existing capital assets and use it to modernise premises and develop future services in order to achieve the Trust’s mission and meet the challenges arising from the National and local policy developments/changes in the field of Adult Social Care. These challenges are in relation to de-commissioning of block service contracts by local authorities and promotion of direct payments, personalised budgets and individual budgets.

The Board have agreed to:

- build and maintain general reserves at a level that equates to at least six months’ worth of running costs and adequate redundancy costs. This is

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likely to be around £2.7 Million based on the expenditure, which stands at around £5.4 Million for 2020-2021;

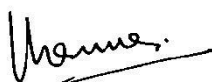
- set aside appropriate sums for creditors within the general fund.
- designate £100,000 for dilapidations, as recommended by Inspire's auditors.
- build sufficient reserves for further freehold premises development and improvements to the existing premises.
- meet unfunded costs from the Service Development Fund to meet future demands for improved services.

5.7 Investment Policy

The Trust requires adequate sums in its current account for running costs. One of the Trust's key strategies for investment has been to invest in property/ies to run its services as opposed to renting or leasing property. The Trustees' strategy is to hold the remaining funds in an interest-bearing instant access account as they become surplus to the working capital requirement. This action has led in the past to a substantial increase in interest income, but due to interest rates continuing to be at an all-time low action was taken to try and improve interest on these reserves by investing in fixed term deposits. The level in 2020-2021 was £2033 compared to £19612 in the previous financial year. This was also against a backcloth of increased spending/investment in premises, notably the new Maidstone Road and Sidcup premises which reduced liquid capital reserves.

The Board will also continue to regularly review its investment policy in order to maximise the investment income.

BY ORDER OF THE BOARD OF TRUSTEES



Vinod Kumar Khanna

Chief Executive and Company Secretary

INSPIRE COMMUNITY TRUST

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Including the Income and Expenditure Account)

FOR THE YEAR ENDED 31ST MARCH 2021

	Note	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2021	Prior Year Total Funds 2020
		£		£	£	£
Income and endowments from:						
Incoming resources from generated funds						
Charitable activities		5,659,768	-	-	5,659,768	3,342,615
Investments		2,033	-	-	2,033	19,612
Other Incoming Resources		105,582	-	-	105,582	16,397
Total	1	5,767,383	-	-	5,767,383	3,378,624
Expenditure on:						
Charitable Activities		5,438,194	459	-	5,438,653	3,251,624
Other - Governance cost		35,055	-	-	35,055	87,842
Total	2	5,473,249	459	-	5,473,708	3,339,466
Net Incoming/(Expenditure)		294,134	(459)	-	293,675	39,158
Corporation tax	15	-	-	-	-	(6,981)
		294,134	(459)	-	293,675	32,177
Transfers between funds		-	-	-	-	-
Net movement in funds		294,134	(459)	-	293,675	32,177
Reconciliation of funds:						
Total funds brought forward	10	7,162,421	597,165	56,554	7,816,140	7,783,963
Total Funds carried forward at 31 March 2021		7,456,555	596,706	56,554	8,109,815	7,816,140

Adopted by the Board of Trustees on:

20 July

2022

All amounts relate to continuing activities.

The notes on pages 22 to 28 form part of the financial statements.

INSPIRE COMMUNITY TRUST
COMPANY LIMITED BY GUARANTEE - NO. 5296168
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH 2021

Funds	General £	Designated £	Restricted £	Total £
As at 31st March 2020	7,177,121	597,165	56,554	7,830,840
Prior year error adjustment	(14,700)	-	-	(14,700)
Transfer between reserves	-	(459)	-	(459)
Comprehensive income	294,134	-	-	294,134
As at 31st March 2021	<u>7,456,555</u>	<u>596,706</u>	<u>56,554</u>	<u>8,109,815</u>

COMPANY STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH 2021

Funds	General £	Designated £	Restricted £	Total £
As at 31st March 2020	7,137,276	597,165	56,554	7,790,995
Transfer between reserves	-	(459)	-	(459)
Comprehensive income	401,190	-	-	401,190
As at 31st March 2021	<u>7,538,466</u>	<u>596,706</u>	<u>56,554</u>	<u>8,191,726</u>

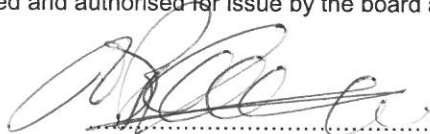
INSPIRE COMMUNITY TRUST
COMPANY LIMITED BY GUARANTEE - NO. 5296168

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31st MARCH 2021


	Note	Total funds 2021		Total funds 2020	
		£	£	£	£
Fixed Assets					
Tangible assets	3		4,852,718		4,800,039
Goodwill	5		343,987		386,985
Current Assets					
Debtors & Prepayments	7	1,541,331		1,248,826	
Stock		118,975		252,930	
Short term Deposits		906,226		1,955,205	
Cash at Bank & in hand		1,448,527		102,916	
Suspense account		51,198		-	
Total current assets		4,066,257		3,559,877	
Current Liabilities					
Creditors falling due within one year	8		1,113,825		890,439
			1,113,825		890,439
Net Current Assets or (liabilities)			2,952,432		2,669,438
Total assets less current liabilities			8,149,137		7,856,462
Creditor amount falling due					
in more than one year	9		(39,322)		(40,322)
Total net assets			8,109,815		7,816,140
The funds of the charity:					
General funds	10		7,456,555		7,162,421
Designated funds			596,706		597,165
Restricted funds			56,554		56,554
Total charity funds			8,109,815		7,816,140

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Chair Ranjit Bhamra


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Honorary Treasurer Hugh Miller


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Adopted by the Board of Trustees on:

20 July 2022

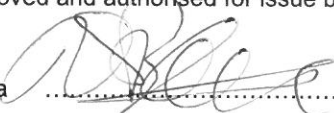
The notes on pages 22 to 28 form part of the financial statements.

INSPIRE COMMUNITY TRUST
COMPANY LIMITED BY GUARANTEE - NO. 5296168

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31st MARCH 2021

	Note	Total funds 2021		Total funds 2020	
		£	£	£	£
Fixed Assets					
Tangible assets			4,205,509		4,135,232
Investments	4		1,070,100		1,070,100
Current Assets					
Debtors & Prepayments		2,546,184		2,333,831	
Stock		118,975		252,930	
Short term Deposits		906,226		1,955,205	
Cash at Bank & in hand		86,103		25,178	
Suspense account		51,198		-	
Total current assets		3,708,686		4,567,144	
Current Liabilities					
Creditors falling due within one year		753,247		1,941,159	
		753,247		1,941,159	
Net Current Assets or (liabilities)			2,955,439		2,625,985
Total assets less current liabilities			8,231,048		7,831,317
Creditor amount falling due					
in more than one year			(39,322)		(40,322)
Total net assets			8,191,726		7,790,995
The funds of the charity:					
General funds			7,538,466		7,137,276
Designated funds			596,706		597,165
Restricted funds			56,554		56,554
Total charity funds			8,191,726		7,790,995

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Chair Ranjit Bhamra 

Honorary Treasurer Hugh Miller 

Adopted by the Board of Trustees on: 

The notes on pages 22 to 28 form part of the financial statements.

INSPIRE COMMUNITY TRUST
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST MARCH 2021

<u>Statement of cash flows</u>	Total funds 2021 £	Prior year funds 2020 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	531,758	(339,340)
Cash flows from investing activities:		
Dividends, interest and rents from investments	2,033	19,612
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(238,068)	(2,388,741)
Purchase of Blossom Care Home Ltd subsidiary	-	(1,070,000)
Purchase of UK operation of Apex Medical Limited	-	(220,000)
Blossoms Care Home Ltd cash at bank at acquisition	-	90,882
Proceeds from sale of fixed assets	909	5,390
Restated amount owed to previous owners of Blossoms	-	-
Purchase of investments	-	-
Net cash provided by (used in) investing activities	<u>296,632</u>	<u>(3,902,197)</u>
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflow from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	<u>296,632</u>	<u>(3,902,197)</u>
Change in cash and cash equivalents in the reporting period	296,632	(3,902,197)
Cash and cash equivalents at the beginning of the reporting period	2,058,121	5,960,318
Cash and cash equivalents at the end of the reporting period	<u>2,354,753</u>	<u>2,058,121</u>

Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income/(expenditure) for the reporting period (as per the statement of financial activities)	293,675	53,858
Adjustments for:		
Depreciation charges	184,480	116,481
Amortisation charges	42,998	28,298
Interest from investments	(2,033)	(19,612)
Corporation tax	(10,148)	-
Loss/(profit) on the sale of fixed assets	(909)	(5,390)
(Increase)/decrease in debtors	(292,505)	(880,136)
(Increase)/decrease in stock	133,955	(32,937)
Increase/(decrease) in creditors	182,245	400,098
Net cash provided by (used in) operating activities	<u>531,758</u>	<u>(339,340)</u>

<u>Analysis of cash and cash equivalents</u>	Total funds 2021	Prior year funds 2020
Cash in hand	1,448,527	102,916
Investment capital reserve account	906,226	1,955,205
Total cash and cash equivalents	<u>2,354,753</u>	<u>2,058,121</u>

INSPIRE COMMUNITY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Statement of Accounting Policies

a) Basis of Accounting

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the Accounting and Reporting by Charities: Statement of Recommended Practice 2015 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

b) Accounting Period

These financial statements relate to the year ended 31st March 2021, the comparatives are for the year ended 31st March 2020

c) Incoming Resources

All income is credited to the statement of financial activities on an accruals basis. Income invoiced in advance of the year to which it relates to is held on the balance sheet as deferred income.

The main income is derived from supporting people with physical and sensory impairments to meet their individual needs, and to promote and encourage them to live more independently.

All income is accounted for on an accrual basis.

d) Resources Expended

Direct services expenditure comprises expenses incurred on the defined charitable purpose of Inspire Community Trust and includes staff costs attributable to the activity and management of the services it provides.

Governance costs comprise those costs that are attributable to the running of Inspire Community Trust as a company including expenditure on general administration and management and compliance with constitutional and statutory requirements.

All expenditure is accounted for on an accrual basis

e) Depreciation & Amortisation

Depreciation & amortisation has been provided on all fixed assets at rates sufficient to write them off over their useful lives:

Depreciation:

- Buildings at 2% per annum on cost
- Motor vehicles at 20% per annum on cost
- Furniture & Fittings at 25% per annum on cost
- Computer Equipment at 25% per annum on cost
- Rental Assets at 25% per annum on cost

Amortisation:

- Goodwill over period of 10 years

f) Debtors

Trade and other debtors are recognised at the settlement amounts due after any trade discounts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

g) Cash at Bank and in Hand

Cash at bank and in hand includes cash and short term highly liquid investments

h) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

INSPIRE COMMUNITY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Note 1 Analysis of Total Income and endowments

	Charitable Activities	Bank Interest	Other Income	Total 2021	Total 2020
	£	£	£	£	£
SLA Contract	3,351,573	-	-	3,351,573	2,641,487
Spot Contracts	436,664	-	-	436,664	37,134
Bank Interest Received	-	2,033	-	2,033	19,612
Other Income	597,158	-	105,582	702,740	436,165
Apex - equipment sales	1,274,373	-	-	1,274,373	244,226
Total Income	5,659,768	2,033	105,582	5,767,383	3,378,624

Note 2 Analysis of Expenditure

	Charitable Activities	Other	Total 2021	Total 2020
	£	£	£	£
<i>Costs directly allocated to activities:</i>				
Staff costs (including expenses and other costs)	2,782,198	21,385	2,803,583	1,753,528
Governance Expenses	-	-	-	-
Consultants	76,199	-	76,199	46,683
Legal & professional costs	-	-	-	-
Audit	-	12,720	12,720	9,725
<i>Support costs allocated to activities:</i>				
Staff training	4,098	-	4,098	(12,501)
Equipment	445,102	-	445,102	23,807
Service & Provisions	854,484	-	854,484	830,668
Premises	767,832	-	767,832	354,190
Insurance	23,606	-	23,606	17,418
General office expenses	46,873	-	46,873	27,436
Recruitment	1,358	-	1,358	460
Travel & subsistence	13,097	-	13,097	9,956
Vehicle expenses	126,438	-	126,438	50,007
Communications	24,741	-	24,741	5,962
I.T., support & maintenance	151,820	-	151,820	74,994
Legal & professional costs	39,647	950	40,597	86,466
General/Office equipment	18,051	-	18,051	4,882
Bank charges	2,444	-	2,444	2,700
Loss on Disposal of fixed assets	909	-	909	-
Amortisation	42,998	-	42,998	42,998
Other	16,758	-	16,758	10,087
	5,438,653	35,055	5,473,708	3,339,466

INSPIRE COMMUNITY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Note 2 a Analysis of total resources expended

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2021 £	Total 2020 £
Charitable Activities	2,782,198	1,643,990	1,012,465	5,438,653	3,251,624
Governance	21,385	13,670	-	35,055	87,842
Total resources expended	2,803,583	1,657,660	1,012,465	5,473,708	3,339,466

b) Analysis of support costs

	2021 £	2020 £
Employee - related costs	-	-
Meals & Provisions	-	-
Premises	767,832	354,190
Communications & IT	176,561	80,956
Postage & Printing & Stationery	46,873	27,436
Professional Services	39,647	27,014
Governance	13,670	69,177
Total support costs	1,044,583	558,773

c) Analysis of governance costs

	2021 £	2020 £
Audit fees	12,720	9,075
Professional fees	950	60,102
Trustee expenses	-	-
Apportionment of staff costs	21,385	18,665
Total governance costs	35,055	87,842

Note 3 Fixed Assets

	Land & Buildings		Warehouse	Sidcup Shop	Day Care Centre	Rental Assets		Total
	£	£				Fixtures & Fittings	Motor Vehicles	
Cost b/fwd 1.4.20 - Group	3,452,958	880,242	652,435	124,814	244,714	108,771	5,463,934	
Additions	-	-	-	-	237,487	581	238,068	
Disposals	-	-	-	-	(1,080)	-	(1,080)	
Cost c/fwd 31.3.21	3,452,958	880,242	652,435	124,814	481,121	109,352	5,700,922	
Depreciation b/fwd 1.4.20 - Group	103,279	151,846	33,351	124,814	197,249	53,356	663,895	
Charge for the year	53,231	17,605	11,609	-	84,138	17,897	184,480	
Disposals	-	-	-	-	(171)	-	(171)	
Depreciation c/fwd 31.3.21	156,510	169,451	44,960	124,814	281,216	71,253	848,204	
Net book value as at 31.3.21	3,296,448	710,791	607,475	-	199,905	38,099	4,852,718	
Net book value as at 31.3.20	3,349,679	728,396	619,084	-	47,465	55,415	4,800,039	

Note 4 Fixed Assets Investments

Investment in subsidiaries:

100% of 100 share capital at £1 each in Inspire Medicare Limited is wholly owned by the charity

100% of 100 share capital in Blossoms Care Home Limited is wholly owned by the charity. The charity acquired the subsidiary on 15 November 2019 for a consideration of £1,070,000.

INSPIRE COMMUNITY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Note 5 Goodwill

	Goodwill
COST	£
Cost b/fwd 01.04.20	282,983
Prior year adjustment	147,000
Additions	-
Disposals	-
Cost c/fwd 31.03.21	<u>429,983</u>
 AMORTISATION	
Amortisation b/fwd 01.04.20	28,298
Prior year adjustment	14,700
Charge for the year	42,998
Impairment	-
Amortisation c/fwd 31.03.21	<u>85,996</u>
 Net Book Value as at 31.03.21	 <u>343,987</u>
 Net Book Value as at 31.03.20	 <u>386,985</u>

The Group has recognised goodwill at acquisition of Blossoms Care Home Limited in the amount of £429,983 (2020: 282,983). The increase in goodwill was due to prior year error. The full of goodwill has been allocated to Blossoms Care Home Limited as a single cash generating unit.

The group conducted a year end impairment review of goodwill and found no impairment required.

Note 6 Trustees and Employee information

a) Trustee information

Liability of Members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up, each member is required to contribute an amount not exceeding £1.

Related Party Transactions

No Trustee received any remuneration for services as a Trustee. The amount of Nil (2020 £Nil) was reimbursed to Trustees to cover miscellaneous expenses incurred in connection with their role as Trustees.

Inspire Community Trust has purchased insurance to protect the company from losses arising from the neglect or defaults of its employees and agents against the consequences of any neglect or default on their part.

INSPIRE COMMUNITY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Note 6 Trustees and Employee information (continued)

Employee Information	2021	2020
	£	£
<i>Employee Costs during the period:</i>		
Salaries and wages	2,196,563	1,336,121
Social Security Costs	171,983	99,111
Pension costs	123,014	68,799
Total	2,491,560	1,504,031
The average number of employees during the period was:	2021	2020
Inspire Community Trust	79	78
Blossoms Care Home Ltd	23	24
Total	102	102

Senior Management

The number of employees whose emoluments for the period fell within each band of £10,000 from £40,000 upwards was as follows:

<u>Emoluments</u>	<u>No. of Employees</u>	
	2021	2020
£40,000 to £50,000	4	1
£50,000 to £60,000	-	-
£60,000 to £70,000	-	1
£70,000 to £80,000	-	-
£80,000 to £90,000	1	-
£90,000 to £100,000	-	-
£100,000 to £110,000	-	-
£110,000 to £130,000	1	1

Pensions

Inspire Community Trust currently operates five pension schemes for staff TUPED from previous contract operators and some new members of staff introduced to two stakeholder schemes (Now & NEST).

In February 2005 Inspire was admitted into the local government pension scheme to accommodate staff previously employed by the London Borough of Bexley being transferred to Inspire under TUPE provisions. The LB Bexley pension scheme transferred these employees to Inspire on 1st March 2005 and a further group of staff in August 2010 when the Integrated Community Equipment Service transferred. Employer's contributions were paid at the rate of 20.4% of gross pensionable pay together with a one-off reduction of £62,600.04 per annum during 2020-21, based on an actuarial valuation undertaken in 2014. Under the terms of the new block contract with the London Borough of Bexley, which commenced on 1st September 2016, Inspire recovers all but 6% of the Employer's contribution.

In April 2011 Inspire became a Direction Employer for the NHS pension scheme when staff were transferred under TUPE arrangements from South London Healthcare NHS Trust to operate the Wheelchair Service. The Employer's contributions were paid at the rate of 14.4% of gross pensionable pay during 2020-21. Once again under the terms of the new block contract with the London Borough of Bexley, Inspire recovers all but 6% of the Employer's contribution.

In December 2019 Inspire also took on NHS staff transferred under TUPE arrangements from Oxleas NHS Foundation Trust and we await approval as a Direction Employer for these staff.

Inspire has one member of staff on its former stakeholder pension scheme (Reassure) with the remaining staff being auto enrolled, as appropriate, into the Government's NEST scheme. Inspire contributes up to 6% for employees from the old scheme and those having a permanent contract as at July 2014 and 2% for new employees post July 2014. Some staff have opted out of the above scheme and some are ineligible due to the level of remuneration.

In February 2020 Inspire took over certain services from Apex medical and 23 staff were TUPE'd over. These staff are members of the NOW pension scheme.

During 2020-21 the employer's contributions to the schemes were £17,044.06 net of recovery above 6% from 1st September 2016 and one-off reduction of £62,600.04.

There are currently 83 members of staff that benefit from employer contributions.

Note 7 Debtors & Prepayments

	2021	2020
	£	£
Debtors	1,464,580	1,207,720
Prepayments	76,751	41,106
Total	1,541,331	1,248,826

INSPIRE COMMUNITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Note 8	<u>Creditors falling due within one year</u>	2021	2020
		£	£
	Current Account	1,394	790
	Creditors	668,246	400,904
	Accruals	85,411	287,915
	Other Taxes and Social Security	135,457	57,512
	Capital Grant	1,000	1,000
	Bad Debt	-	-
	Pensions	16,959	25,037
	VAT	188,229	110,300
	Corporation tax	17,129	6,981
	Total	<u>1,113,825</u>	<u>890,439</u>
Note 9	<u>Creditors: Amounts falling due after one year</u>	2021	2020
		£	£
	Capital Grant	50,000	50,000
	Original Grant	50,000	50,000
	Grant release brought forward	(8,678)	(7,678)
	Grant release	(1,000)	(1,000)
	Revaluation of Fixed Assets held under grants	(9,678)	(8,678)
	Net grant at 31st March 2020	40,322	41,322
	Due within one year (note 8)	1,000	1,000
	Due after more than one year	39,322	40,322
		40,322	41,322

Previously capital grants received were netted off the cost of housing properties in the balance sheet, and depreciation was applied to the net cost. Under FRS102, housing properties are stated gross and depreciation was applied to the gross cost. The capital grants received are included in creditors and are amortised over the same period over which the structure of housing properties is depreciated. The grant is repayable indefinitely and is repayable in the event that the property is handed back to the donor or the usage of the building as specified by the donor in the grant contract is no longer met. The contingent liability for the full grant is £50,000.

Note 10	<u>Funds</u>	As at 31st	Transfers	Transfers	As at 31st
		March 2020	In	Out	March 2021
	Unrestricted				
	General	7,162,421	294,134	-	7,456,555
	Designated:				
	Building Maintenance & Development	389,548	-	(459)	389,089
	Business Development	20,617	-	-	20,617
	Service Development	87,000	-	-	87,000
	Dilapidated Fund	100,000	-	-	100,000
		597,165	-	(459)	596,706
	Total Unrestricted	7,759,586	294,134	(459)	8,053,261
	Total Restricted	56,554	-	-	56,554
	Total Funds	7,816,140	294,134	-	8,109,815

Designated Reserves:

These funds were built up over a period of time following the setup of Inspire Community Trust in 2005 and by the close of the financial year 2020-21 had built up to a level that was considered sufficient to cover the respective developments as noted

Building Maintenance & Development reserve is for building development and purchase of business premises for sustainability of the business.

Renovation work on a new shop in Sidcup has been fully capitalised with no contribution from this reserve. The remaining balance is still considered sufficient based on future building developments.

Business Development reserve is for publicity and marketing of existing and/or new services.

Service Development reserve is for pump priming new services for future sustainability of the organisation.

Dilapidation Fund is for any repairs required to the premises and equipment should the contract cease or our leasehold properties are handed back to the lessor.

INSPIRE COMMUNITY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Note 11 **Statement of Total Recognised Gains and Losses**

The gain for the year shown in the Statement of Financial Activities was the only recognised gain in the period.

Note 12 **Historical Cost Profit and Loss**

All assets are stated in the financial statements at historical cost. Therefore, no adjustments are required to the reported gain which is stated on an unmodified historical cost basis.

Note 13 **Contingent Liabilities and Financial Commitments**

There were no financial commitments or contingent liabilities as at 31st March 2021 & 31st March 2020 other than the £50,000 grant stated in note 9.

Note 14 **Capital Commitments**

At 31st March 2021 & 31st March 2020 there were no capital commitments.

Note 15 **Tax Status**

No provision for taxation is necessary as the charitable company has exemption under Section 505 of the ICTA 1998. The provision is for the wholly owned subsidiaries.

Note 16 **Related Party**

A limited company Inspire Medicare Limited was incorporated on 20th March 2018 and is wholly owned by the company/charity and the charity's three trustees are also directors of the company.

Inspire Medicare Limited donated to Inspire Community Trust £53,806 of its profit for 2020.

Inspire Medicare Limited receives funding from various sources to undertake services which are provided/performed by Inspire Community Trust.

Inspire Community Trust invoiced the subsidiary Inspire Medicare Limited on a quarterly basis £3,084,544, this represents 97% of total sales generated for the respective period, together with a 1% administration charge.

A limited company Blossoms Care Home Limited was purchased on 15th November 2019 and is wholly owned by the company/charity and the charity's one of the trustees is also a director of the company.

Blossoms Care Home Limited donated to Inspire Community Trust £78,410 of the profit for 2020.

There were intercompany transactions between the charity and Blossoms Care Home Limited. These transactions were eliminated on consolidation of accounts.

The current CEO of the charity also acted as a director/shareholder of Blossoms Care Home Limited. On the purchase by the charity the directors/shareholders received consideration in the form of cash, repayment of directors loan and final dividends.

Note 17 **Group**

Inspire Community Trust has consolidated two subsidiaries: Inspire Medicare Limited and Blossoms Care Home Limited. Inspire Medicare Limited changed name during the prior year from Inspire Community Enterprises Limited and was incorporated in the group accounts for the third year. Blossoms Care Home Limited is incorporated for the second period with transactions for the period post 15 November 2019 and the Balance Sheet as at 31 March 2021.

**INSPIRE COMMUNITY TRUST
AUDITORS REPORT**

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST

DISCLAIMER OF OPINION

We have audited the consolidated financial statements of Inspire Community Trust (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31st March 2021, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Changes in Equity, the Consolidated and Company Statements of Financial Position, the Consolidated 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the group. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

BASIS FOR DISCLAIMER OPINION

The Group's investment in Blossoms Care Home Limited was acquired during the prior year and accounted for by the equity method. Purchase consideration of £1,070,000 was paid. Net income of £14,336 is included in the Group's Consolidated Statement of Comprehensive Income for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of Inspire Community Trusts' investment in Blossoms Care Home Limited as at 31st March 2020. As a result a restatement of goodwill increasing the value by £147,000 has been included on the accounts.

We have qualified the Group financial statements on the basis that we were unable to obtain sufficient appropriate evidence about the carrying amount of Inspire Community Trust's investment in Blossoms Care Home Limited, as no previous independent audit had been performed on the entity. We were also unable to verify the Group's carrying amount of Stock as at 31st March 2021. The current year suspense account of £51,198 results from incorrect postings, incomplete records of income and expenditure for the year ended and unreconciled intercompany balances. Consequently, we were unable to determine whether any adjustments to these amounts are necessary.

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

OTHER INFORMATION

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

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

OPINION ON MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether 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; and
- the strategic report and trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the trustees' report.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept

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

- certain disclosures of directors' remuneration specified by law are not made; and
- 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.

INSPIRE COMMUNITY TRUST

AUDITORS REPORT

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set, 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.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are FRS102, Companies Act 2006 and the Charities SORP, together with the supervisory requirements of the Charities Commission and Companies House.
- The charity operates locally and is not significantly impacted by international law or regulations. As a registered charity in England and Wales, they are not liable for Income Tax or Corporation Tax on income derived from its charitable activities.
- We understood how the charity is complying with those frameworks through discussions with the trustees and review of the trustees minutes and the charity's documented policies and procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the trustees's reporting to the charity with respect of the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charity.
- Our pre-audit review specifically makes reference to fraud risk and this is supported by audit documentation. We also review board minutes to identify any matters of concern or risk. None was identified.
- The charity is a parent company therefore is non-small, however its activities are regular and consistent and are not complex and no special audit considerations apply, nor is external specialist assistance required.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the charity and management.

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

USE OF OUR REPORT

This report is made solely to the charity'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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



R W Williams
(Senior Statutory Auditor)
For and on behalf of
Appleby & Wood (London) Limited,
Accountants & Statutory Auditor
40 The Lock Building, 72 High Street
London, E15 2QB

Date: 21st July 2022

**INSPIRE COMMUNITY TRUST
AUDITORS REPORT**

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST

DISCLAIMER OF OPINION

We have audited the consolidated financial statements of Inspire Community Trust (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31st March 2021, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Changes in Equity, the Consolidated and Company Statements of Financial Position, the Consolidated 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the group. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

BASIS FOR DISCLAIMER OPINION

The Group's investment in Blossoms Care Home Limited was acquired during the prior year and accounted for by the equity method. Purchase consideration of £1,070,000 was paid. Net income of £14,336 is included in the Group's Consolidated Statement of Comprehensive Income for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of Inspire Community Trust's investment in Blossoms Care Home Limited as at 31st March 2020. As a result a restatement of goodwill increasing the value by £147,000 has been included on the accounts.

We have qualified the Group financial statements on the basis that we were unable to obtain sufficient appropriate evidence about the carrying amount of Inspire Community Trust's investment in Blossoms Care Home Limited, as no previous independent audit had been performed on the entity. We were also unable to verify the Group's carrying amount of Stock as at 31st March 2021. The current year suspense account of £51,198 results from incorrect postings, incomplete records of income and expenditure for the year ended and unreconciled intercompany balances. Consequently, we were unable to determine whether any adjustments to these amounts are necessary.

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

OTHER INFORMATION

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

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

OPINION ON MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether 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; and
- the strategic report and trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the trustees' report.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept

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

- certain disclosures of directors' remuneration specified by law are not made; and
- 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.

INSPIRE COMMUNITY TRUST

AUDITORS REPORT

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set, 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.

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USE OF OUR REPORT

This report is made solely to the charity'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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



R W Williams
(Senior Statutory Auditor)
For and on behalf of
Appleby & Wood (London) Limited,
Accountants & Statutory Auditor
40 The Lock Building, 72 High Street
London, E15 2QB

Date: 21st July 2022