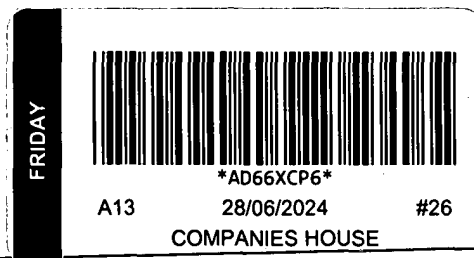


**INSPIRE COMMUNITY TRUST**  
**CONSOLIDATED FINANCIAL STATEMENTS AND ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**Registered Charity No: 1107820**  
**Registered Company No: 05296168 (England and Wales)**



# INSPIRE COMMUNITY TRUST

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**INSPIRE COMMUNITY TRUST**

**LEGAL AND ADMINISTRATIVE DETAILS**

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<b>Trustees</b>	Ranjit Bhamra (Chair) Hugh Miller (Treasurer) Vinod Khanna (Chief Executive) Anne Bramley Mark Lloyd
<b>Secretary</b>	Vinod Khanna
<b>Key Management Personnel</b>	Vinod Khanna Gemma Micallef
<b>Charity Number</b>	1107820
<b>Company Number</b>	05296168
<b>Registered office</b>	130-136 Maidstone Road Sidcup, Kent England DA14 5HS
<b>Independent Auditors</b>	Azets Audit Services First Floor, River House 1 Maidstone Road Sidcup DA14 5RH
<b>Bankers</b>	National Westminster Bank 1 Townley Road Bexleyheath DA6 7JG
<b>Solicitors</b>	Cripps Harries Hall LLP Wallside House 12 Ephraim Road Tunbridge Wells Kent TN1 1EG

## **INSPIRE COMMUNITY TRUST**

### **TRUSTEES' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2023***

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The Trustees present herewith their report and the consolidated financial statements for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The consolidated financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

#### **Objectives and activities**

The objectives for which the Trust 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

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
- Day Activity and Skill and Support Service
- Short Breaks and "Have a Go" Accommodation
- Direct Payments Support and Brokerage Service for Children
- Integrated Community Equipment Service (ICES)
- Pressure Relieving Equipment
- Equipment Demonstration. "Try & Buy" – Living Solutions – Equipment and Mobility Shop in Sidcup High Street
- Information and Advice
- Transport Advice and Information (Blue Badge, Freedom Pass, Taxicard)
- Physical Disability Registration
- Sensory Support for People with Hearing and Sight Difficulties
- Wheelchair Service
- Residential Care for older people with dementia
- Community-based services such as Care Act Assessments, less complex equipment assessments and case reviews etc.

#### **Public benefit statement**

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.

## **INSPIRE COMMUNITY TRUST**

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

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#### **Public benefit statement (continued)**

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
- 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 that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

#### **Disabled employees**

Inspire is committed to equality of employment and its policies reflect 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.

#### **Volunteers**

Since its establishment in 2004 Inspire and its service users have been fortunate to benefit from volunteers who supported our services.

Unfortunately, due to the Covid 19 Pandemic our volunteers were unable to undertake their volunteering activities and not returned due to changes in their personal circumstances. However, we continue to work closely with the Bexley Voluntary Service Council to explore how we could attract volunteers to support our service users.

#### **Fundraising**

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.

#### **Strategic Report**

##### **Review of the year**

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.
- Reviewed policies and procedures with the view to maximising efficiencies and effectiveness of services.
- 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.
- Support and Training for Social Workers within the council and Trusted Partners through the Sensory Service, enabling stronger skills for low level equipment assessments
- Relocation of the Concessionary Travel team to the Sidcup High Street
- Optima Park dilapidation completed and all teams moved to Maidstone Road
- Completed the development of the property acquired in December 2019 at Maidstone Road Sidcup for the integration of all community services on one site.
- Improvements including Kitchen renovation completed at Blossoms Care Home

##### **Facts and Figures;**

Community Equipment Service – 41,894 activities equating to 5,394 over threshold, a 15% increase in activity;

Pressure Relieving Equipment – Within thresholds at 1,950 activities in 2022-2023;

Average of 96% of all phone calls answered within 3 rings for equipment services;

Concessionary Travel Services - 5,313 applications received equating to 813 applications over target, to 18% over threshold for Blue Badge applications;

372 Referrals and all training completed for the Sensory Support service.

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

## INSPIRE COMMUNITY TRUST

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

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#### *Monitoring service delivery and quality assurance (continued)*

The Trust 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

Inspire has invested in two subsidiaries, namely Inspire Medicare Ltd and Blossoms Care Home Ltd. Services provided by both these subsidiaries falls within the Inspire's Memorandum of Articles and Association. Inspire Medicare, initially registered as Inspire Community Enterprises Ltd, changed its name to Inspire Medicare in February 2020, when Inspire took over the local operation of one of its subcontractors - Apex Medical Ltd for the provision of health and social care equipment for people in need. As regards Blossoms Care Home Ltd, Inspire acquired a residential care home for people with dementia in order to diversify its business activity. Inspire Medicare has successfully delivered a range of services and generated steady income for Inspire. As regards Blossoms Care Home Ltd, in its first year of operations it made surplus of £33,944. Unfortunately, due to the impact of the Covid Pandemic this subsidiary has been running losses. This was due to the after-effects of the Pandemic, carer recruitment difficulties, investment needed for the fabric of the property and relatively low fee levels. However, despite losses, the Trustees took a strategic decision to continue supporting it as they were optimistic that with increased fee levels and strategies to address the staff recruitment and retention, and having a planned approach to the premises improvement, this subsidiary should generate income to support the Trust's income for developing and delivering services in accordance with the Trust's Memorandum of Articles and Association. As regards Inspire Medicare Ltd, it has steadily made surplus each year, which was donated to the Trust.

#### **Financial review**

Group income for the year was £4,432,982 (2022: £5,141,736). Group expenditure amounted to £4,556,380 (2022: £5,029,565). The resulting deficit was £123,398 (2022: surplus £112,171).

The Group Balance Sheet shows a positive position of £7,775,031 (2022: £7,857,550), and the Balance Sheet for Inspire Community Trust has slightly worsened from £8,337,036 to £8,059,150.

#### **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 2022-2023 was £713,000. This is relatively lower compared with the previous years due to a significant sum of the reserves have now been invested in the Trust owned property, which offer opportunity for raising rental income from the property that is surplus to the Trust's requirement for running existing services.

#### **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, in particular, 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 for running costs and adequate redundancy costs.
- set aside appropriate sums for creditors within the general fund.
- 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.

## INSPIRE COMMUNITY TRUST

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

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#### Reserves policy (continued)

Trustees have therefore deemed that unrestricted reserves should equate to 3 months operating expenditure which amounts to £1.1m. The Trust's level of unrestricted reserves as at 31 March 2023 was £1,564,252 (2022: £7,713,821 which included fixed assets £5,403,777).

Restricted funds at 31 March 2023 amounted to £56,554 (2022: £56,554). Further information can be found in note 19 to the financial statements.

Designated funds at 31 March 2023 amounted to £6,185,538 (2022: £120,617). Further information can be found in note 20 to the financial statements.

#### Going Concern

The Trust has a strategy to ensure that there are sufficient funds raised through the block contracts supplemented by spot purchase and the rental income from the Trust owned properties. These funds are kept in secure interest-bearing bank account (Reserve Account). There are current accounts for meeting the Trust and subsidiaries current day to day working capital. Any pressures caused by delayed credits are managed through its cash reserves. The nature of the Trust's activities are such that there can be considerable unpredictable variation in the timing of cash inflows. The trustees have prepared projected cash flow information for the period ending 31 March 2023 and beyond. On the basis of this cash flow information, the trustees consider that the Trust will continue to meet its obligations from its cash reserves. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis.

#### Principal risks and uncertainties

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

- 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 one NHS Commissioning body. The ending of contract term for the exiting service contract with the London Borough of Bexley and the Greenwich NHS Commissioning body.
- Changes in adult social care arising from local Council's agenda.
- Local authorities' focus on procuring services under "Framework – spot Purchasing Contracts" as opposed to Block contracts.
- The pending introduction of the new Procurement Bill for 2024
- The lifespan of Inspire's Block contracts with end dates in 2024.
- 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.

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 continue working positively with the relevant stakeholders in connection with the above issues and develop appropriate services in partnership with the commissioners and service users.

## INSPIRE COMMUNITY TRUST

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

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#### Principal risks and uncertainties (continued)

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.
- Any pressures caused by delayed credits are managed through its cash reserves. The nature of the Trust's activities are such that there can be considerable unpredictable variation in the timing of cash inflows. The trustees have prepared projected cash flow information for the period ending 31 March 2023 and beyond. On the basis of this cash flow information, the trustees consider that the Trust will continue to meet its obligations from its cash reserves. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis.
- 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.

#### Plans for the future

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.
- 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. The Trust's portfolio of disability friendly properties offers a great opportunity for developing new services such as developing further residential care support for people with disabilities.
- Building on the specialist service area of pressure relieving equipment, including decontamination of health/personal care related equipment, brought under the Trust's operation following the acquisition of Apex Medical Ltd company's local operation in February 2020. This offer opportunities for developing more innovative and efficient ways of providing this service.
- 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.

#### Structure, governance and management

Inspire Community Trust was formed in and incorporated by guarantee on 24 November 2004 and is registered charity and company limited by guarantee. Inspire has no share capital. 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.

## INSPIRE COMMUNITY TRUST

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

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#### **Structure, governance and management (continued)**

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Ranjit Bhamra (Chair)	Roland French (resigned 8 September 2023)
Hugh Miller (Treasurer)	Anne Bramley
Andrew Crawford (Vice-Chair) (Resigned 8 August 2022)	Pamela Crawford (Resigned 8 July 2022)
Vinod Khanna	Mark Lloyd (appointed 8 September 2023)

#### **Appointment and recruitment of Trustees**

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.

#### **Committee structure, induction and training**

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

During the year the Board of Trustees met on three occasions and the Development Sub-committee met on twice during this financial period.

#### **Day to day management**

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.

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 bodies, 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.

During this financial period the Chief Executive was supported by a team including a Commercial and Operations Director, Head of Finance and Operational Managers for each of the service area. The Commercial and Operations Director also has 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 70 staff and had revised its management structure for 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.

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.

## INSPIRE COMMUNITY TRUST

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

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#### Day to day management

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 Commissioning bodies 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 consultant 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, ISO 9001, ISO 14001 and CHAS accreditations.

#### Pay policy for key management personnel

The Trustees consider the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no trustee received remuneration in the year for undertaking the Company duties. The senior staff salaries are set taking into account the market rates. Appropriate annual pay increase for all staff, including the senior staff is decided by the Board of trustees. In addition, the trust has reward scheme based on staff appraisals.

#### Trustees responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in business.

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.

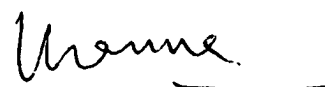
#### Disclosure of information to auditors

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.

By Order of the Board of Trustees

Date: .....

27 June 2024



Vinod Kumar Khanna  
Chief Executive and Company Secretary

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST

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### Qualified opinion

We have audited the financial statements of Inspire Community Trust (the parent charitable company) and its subsidiaries (the group) for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2023, and of the group's 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 qualified opinion

We were not appointed as auditor of the charitable company until after 31 March 2023 and thus did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2023, which are included in the Balance Sheet at £94,841 by using other audit procedures. Consequently we were unable to determine whether any adjustments to this amount was necessary.

No FRS102 Report was obtained in respect of the LGPS scheme and thus we have been unable to satisfy ourselves if any pension liability or pension asset should be included in the accounts for the year ended 31 March 2023 or year ended 31 March 2022. As a result the full disclosure requirements of FRS102 relating to multi-employer Defined Benefit pension scheme have not been included in the financial statements. See note 17 on page 30 for disclosures made.

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

### Key audit matters

Except for the matters described in the basis for qualified opinion section, we have determined that there are no key audit matters to be communicated in our report.

### 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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST

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### Other information

The other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's 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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £94,841 held at 31 March 2023. We have concluded that where the other information refers to the inventory balance or related balances such as cost of sales, it may be materially misstated for the same reason.

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

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

Except for the matter described in the basis for qualified opinion section of our report, in the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

Arising solely from the limitation on the scope of our work relating to inventory, 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, in our opinion:

- 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 directors' remuneration specified by law are not made.

### Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 8, 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 group's and 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 group or charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST

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### **Auditor's responsibilities for the audit of the financial statements**

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

### **Extent to which the audit was considered capable of detecting irregularities, including**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIRE COMMUNITY TRUST

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### Extent to which the audit was considered capable of detecting irregularities, including fraud

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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 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.

*Azets Audit Services Limited*

Michelle Wilkes FCA  
(Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
Statutory Auditor  
Date: 27 June 2024

First Floor, River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

**INSPIRE COMMUNITY TRUST**

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

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £ as restated
<b>Income from:</b>					
Donations		1,057	-	1,057	182
Charitable activities	2	4,344,636	-	4,344,636	5,055,064
<i>Investment income</i>					
Income from investments		68,487	-	68,487	57,491
Interest receivable		7,101	-	7,101	1,376
Other	3	73	-	73	27,623
<b>Total Income</b>		<b>4,421,354</b>	<b>-</b>	<b>4,421,354</b>	<b>5,141,736</b>
<b>Expenditure on:</b>					
Charitable activities	4	4,585,579	-	4,585,579	5,029,565
Corporation tax - trading		(5,843)	-	(5,843)	-
<b>Total expenditure</b>	4	<b>4,579,736</b>	<b>-</b>	<b>4,579,736</b>	<b>5,029,565</b>
<b>Net income/(expenditure) before transfers</b>		<b>(158,382)</b>	<b>-</b>	<b>(158,382)</b>	<b>112,171</b>
<b>Other recognised gains / (losses):</b>					
Remeasurement gain on defined benefit pension scheme	17	40,879	-	40,879	-
<b>Net movement in funds</b>		<b>(117,503)</b>	<b>-</b>	<b>(117,503)</b>	<b>112,171</b>
<b>Reconciliation of funds:</b>					
<b>Fund balances at 1 April 2022 as restated</b>		<b>7,800,996</b>	<b>56,554</b>	<b>7,857,550</b>	<b>7,745,379</b>
<b>Fund balances at 31 March 2023</b>	27	<b>7,683,493</b>	<b>56,554</b>	<b>7,740,047</b>	<b>7,857,550</b>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

**INSPIRE COMMUNITY TRUST**

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

**Comparative information only**

	Note	Unrestricted Funds £ as restated	Restricted Funds £	2022 Total £ as restated	2021 Total £ as restated
<b>Income from:</b>					
Charitable activities	2	5,055,246	-	5,055,246	5,436,959
<i>Investment income</i>					
Income from investments		1,376	-	1,376	2,033
Other	3	85,114	-	85,114	105,582
<b>Total Income</b>		<b>5,141,736</b>	<b>-</b>	<b>5,141,736</b>	<b>5,544,574</b>
<b>Expenditure on:</b>					
Charitable activities		5,029,565	-	5,029,565	5,460,281
Corporation tax - trading		-	-	-	-
<b>Total expenditure</b>	4	<b>5,029,565</b>	<b>-</b>	<b>5,029,565</b>	<b>5,460,281</b>
<b>Net income/(expenditure) before transfers</b>		<b>112,171</b>	<b>-</b>	<b>112,171</b>	<b>84,293</b>
<b>Other recognised gains / (losses):</b>					
Remeasurement gain on defined benefit pension scheme	17	-	-	-	-
<b>Net movement in funds</b>		<b>112,171</b>	<b>-</b>	<b>112,171</b>	<b>84,293</b>
<b>Reconciliation of funds:</b>					
<b>Fund balances at 1 April 2021 as restated</b>		<b>7,688,825</b>	<b>56,554</b>	<b>7,745,379</b>	<b>7,661,086</b>
<b>Restated Fund balances at 31 March 2022</b>	27	<b>7,800,996</b>	<b>56,554</b>	<b>7,857,550</b>	<b>7,745,379</b>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

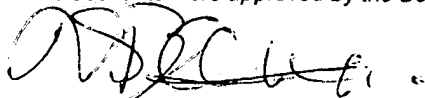
**INSPIRE COMMUNITY TRUST**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2023**

	Note	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10		177,426		206,997
Tangible assets	11		5,887,495		5,196,780
Investments	12		-		-
			<u>6,064,921</u>		<u>5,403,777</u>
<b>Current assets</b>					
Stock	13	94,841		97,528	
Debtors	14	1,574,060		1,533,363	
Cash at bank and in hand		947,564		1,816,842	
		<u>2,616,465</u>		<u>3,447,733</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(904,017)</u>		<u>(955,638)</u>	
<b>Net current assets</b>			<u>1,712,448</u>		<u>2,492,095</u>
<b>Total assets less current liabilities</b>			<u>7,777,369</u>		<u>7,895,872</u>
<b>Creditors: amounts falling due after more than one year</b>	16		<u>(37,322)</u>		<u>(38,322)</u>
			<u>7,740,047</u>		<u>7,857,550</u>
<b>Defined benefit pension liability</b>	17		-		-
<b>Net funds</b>			<u><u>7,740,047</u></u>		<u><u>7,857,550</u></u>
<b>Funds</b>					
Restricted funds	19		56,554		56,554
Unrestricted funds:					
Designated funds	20		6,185,538		120,617
Other charitable funds			1,529,268		7,713,821
Non-charitable funds	12		(31,313)		(33,442)
	21		<u>7,740,047</u>		<u>7,857,550</u>

The accounts were approved by the Board on

*27 June 2024*



Mr Ranjit Bhamra (Chair)  
Trustee



Mr Hugh Miller (Honorary Treasurer)  
Trustee

Company Number: 05296168

**INSPIRE COMMUNITY TRUST**

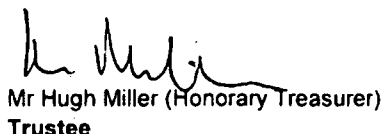
**CHARITY BALANCE SHEET  
AS AT 31 MARCH 2023**

	Note	2023		2022	
		£	£	£	£
				as restated	
<b>Fixed assets</b>					
Tangible assets	11		5,252,982		4,546,933
Investments	12		<u>1,070,100</u>		<u>1,070,100</u>
			6,323,082		5,617,033
<b>Current assets</b>					
Stock	13	94,841		97,528	
Debtors	14	2,070,751		1,846,814	
Cash at bank and in hand		<u>811,937</u>		<u>1,511,417</u>	
		2,977,529		3,455,759	
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,239,123)</u>		<u>(697,434)</u>	
<b>Net current assets</b>			<u>1,738,406</u>		<u>2,758,325</u>
<b>Total assets less current liabilities</b>			8,061,488		8,375,358
<b>Creditors: amounts falling due after more than one year</b>	16		<u>(37,322)</u>		<u>(38,322)</u>
			8,024,166		8,337,036
<b>Defined benefit pension liability</b>	17		-		-
<b>Net funds</b>			<u><u>8,024,166</u></u>		<u><u>8,337,036</u></u>
<b>Funds</b>					
Restricted funds	19		56,554		56,554
Unrestricted funds:					
Designated funds:	20		6,443,699		120,617
Other charitable funds	21		<u>1,523,913</u>		<u>8,159,865</u>
			<u><u>8,024,166</u></u>		<u><u>8,337,036</u></u>

The accounts were approved by the Board on 27 June 2024



Mr Ranjit Bhamra (Chair)  
Trustee



Mr Hugh Miller (Honorary Treasurer)  
Trustee

Company Number: 05296168

**INSPIRE COMMUNITY TRUST**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

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	Note	2023 £	2022 £
<b>Net cash flow from operating activities</b>	<b>22</b>	<u>(19,621)</u>	<u>(6,846)</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(865,393)	(539,186)
Interest and investment income received		7,101	1,376
<b>Net cash flow from investing activities</b>		<u>(858,292)</u>	<u>(537,810)</u>
<b>Net increase in cash and cash equivalents</b>		(877,913)	(544,656)
<b>Cash and cash equivalents at 1 April 2022</b>		1,810,097	2,354,753
<b>Cash and cash equivalents at 31 March 2023</b>		<u><u>932,184</u></u>	<u><u>1,810,097</u></u>
 <b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		947,564	1,816,842
Bank overdraft		(15,380)	(6,745)
<b>Cash and cash equivalents at 31 March 2023</b>		<u><u>932,184</u></u>	<u><u>1,810,097</u></u>

## **INSPIRE COMMUNITY TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

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#### **1 Accounting policies**

##### **(a) Basis of accounting**

Inspire Community Trust is a registered charitable company in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is to provide residential care, therapy and education for children and young people who have faced deprivation, cruelty or neglect, and who may have emotional, behavioural or educational difficulties.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **(b) Consolidation**

In the opinion of the member of the committee, the charitable company and its subsidiary undertakings comprise a small group.

The consolidated financial statements incorporate the results of the charity and its trading subsidiaries, Inspire Medicare Limited and Blossoms Care Home Limited, for the year ended 31 March 2023. As a consolidated Statement of Financial Activities is published, a separate Statement of Financial Activities for the parent company is omitted from the group statements by virtue of Section 408 of the Companies Act 2006.

##### **(c) Fund accounting**

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restriction arises when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds represent funds invested in fixed assets. The designated fund balance has been represented to ensure that the fund balance accurately reflects the designation policy adopted by the trustees.

##### **(d) Income recognition**

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income, including donations, gifts and grants that provide core funding or are of a general nature, is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

## INSPIRE COMMUNITY TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies (continued)

##### (d) Income recognition

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. This income is included in the Statement of Financial Activities when receivable;

Rebates as a result of a block contract agreement with the London Borough of Bexley are accounted for when receivable.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Investment income includes dividends, interest and rent. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

##### (e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities comprises those costs incurred by the Foundation in the delivery of its activities and services for beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

##### (f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Other costs have been allocated on the basis of staff time spent.

The analysis of these costs is included in note 5.

##### (g) Intangible fixed assets

Goodwill on consolidation is amortised over a period of 10 years following year of acquisition.

##### (h) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life, as follows:

Freehold land	Not depreciated
Freehold buildings & improvements	2% straight line
Fixtures, fittings & equipment	25% straight line
Rental assets	25% straight line
Motor Vehicles	25% straight line

## INSPIRE COMMUNITY TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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

##### **(i) Fixed asset investments**

Investments in subsidiaries are measured at cost less impairment.

##### **(j) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **(k) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Retirement benefits to employees of the Trust are provided by the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The charity also operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial losses are recognised immediately in other recognised gains and losses. Actuarial gains are recognised up to a maximum of the previously recognised losses in other recognised gains and losses.

##### **(m) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

## INSPIRE COMMUNITY TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies (continued)

##### (n) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements 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. The Foundation 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.

##### Key judgements

###### *Pension contribution rebates*

Included within income is rebates of employers pension contribution recovered under a block contract with London Borough of Bexley whereby any amount payable in excess of 6% is recoverable by the Trust. This has not been offset against the pension contributions payable.

##### Key estimates

###### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the fixtures and fittings and motor vehicles, and note 1(h) for the useful economic lives for each class of assets.

##### LGPS

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### *Bad debt provision*

The value of trade debtors is sensitive to the recoverability in full of any invoices issued to each customer. Once the debt becomes overdue it is chased and periodically reviewed to ensure it is recoverable in full. If a provision is deemed necessary this is included on an annual basis. No provision for bad and doubtful debts is currently included in the accounts.

##### (o) Going concern

The Trust has a strategy to ensure that there are sufficient funds raised through the block contracts supplemented by spot purchase and the rental income from the Trust owned properties. These funds are kept in secure interest-bearing bank account (Reserve Account). There are current accounts for meeting the Trust and subsidiaries current day to day working capital. Any pressures caused by delayed credits are managed through its cash reserves. The nature of the Trust's activities are such that there can be considerable unpredictable variation in the timing of cash inflows. The trustees have prepared projected cash flow information for the period ending 31 March 2023 and beyond. On the basis of this cash flow information, the trustees consider that the Trust will continue to meet its obligations from its cash reserves. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis.

##### (p) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

<b>2 CHARITABLE ACTIVITIES</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SLA Contract	2,221,934	-	2,221,934	2,679,222
Other income	86,436	-	86,436	92,061
Care home	814,235	-	814,235	621,167
Apex - equipment sales	1,222,031	-	1,222,031	1,662,614
	<u>4,344,636</u>	<u>-</u>	<u>4,344,636</u>	<u>5,055,064</u>

<b>3 OTHER INCOME</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants received	-	21,006
Blue badge holders	17	5
RADAR keys	56	28
JRS grant	-	5,584
	<u>73</u>	<u>26,623</u>

<b>4 EXPENDITURE</b>	<b>Staff Costs</b>	<b>Direct costs</b>	<b>Support costs</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
					as restated
<b>Charitable activities</b>					
Provision of community care	1,697,358	855,379	1,214,024	3,766,761	4,404,910
Care home	458,991	188,539	171,288	818,818	624,655
Taxation	-	-	(5,843)	(5,843)	-
Total charitable activities	<u>2,156,349</u>	<u>1,043,918</u>	<u>1,379,469</u>	<u>4,579,736</u>	<u>5,029,565</u>
Total expenditure	<u>2,156,349</u>	<u>1,043,918</u>	<u>1,379,469</u>	<u>4,579,736</u>	<u>5,029,565</u>

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

<b>5 SUPPORT COSTS</b>	<b>Provision of community care £</b>	<b>Care Home £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
				<b>as restated</b>
Staff training	12,788	6,288	19,076	5,770
Equipment	2,644	-	2,644	(401)
Repairs and maintenance	180,008	100,811	280,819	266,034
Rent and rates	146,446	2,751	149,197	97,905
Light and heat	84,876	6,929	91,805	83,285
Insurance	30,911	3,427	34,338	29,022
Recruitment	-	-	-	69
Travel and subsistence	8,465	450	8,915	2,384
Vehicle expenses	152,709	-	152,709	160,054
Communications	23,941	1,299	25,240	31,302
IT support and maintenance	127,338	17	127,355	147,543
Legal and professional costs	29,819	-	29,819	18,340
Professional and consultancy fees	33,587	-	33,587	-
Bank charges	6,608	1,903	8,511	6,228
Deprecation	158,707	15,338	174,045	160,991
Amortisation	29,571	-	29,571	29,571
Loss on disposal of fixed assets	639	-	639	465
Leaflets and publications	12,592	-	12,592	(924)
Provision for doubtful debts	104	-	104	1,992
Subscriptions	7,733	237	7,970	9,168
General office expenses	65,423	12,382	77,805	69,219
Governance	99,115	19,456	118,571	90,169
	<u>1,214,024</u>	<u>171,288</u>	<u>1,385,312</u>	<u>1,208,186</u>

<b>6 GOVERNANCE COSTS</b>	<b>2023 £</b>	<b>2022 £</b>
Staff costs	-	21,951
Auditors' remuneration	74,169	40,467
Auditors' remuneration - subsidiaries	38,443	21,276
Accountancy services	6,061	-
Accountancy services - subsidiaries	(687)	5,420
Legal fees	585	1,055
	<u>118,571</u>	<u>90,169</u>

Governance costs are included within support costs detailed above and have been allocated on the basis of time spent in respect of staff costs and direct apportionment basis for other costs.

<b>7 NET MOVEMENT IN FUNDS</b>	<b>2023 £</b>	<b>2022 £</b>
		<b>as restated</b>
This is stated after charging		
Depreciation of tangible fixed assets	174,045	160,991
Amortisation	29,571	29,571
Auditors' remuneration (including subsidiary)	112,612	61,743
	<u>316,228</u>	<u>282,806</u>

**8 TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES**

The Chief Executive Officer (CEO) is also a Trustee of Inspire Community Trust. He received a salary of between £130,001 and £140,000 (2022: £120,001 - £130,000).

The Charity Commission gave consent on 17 June 2005 to the CEO being remunerated under clause 5.2.5 of the charitable company's Memorandum and Articles of Associations as amended by written resolution on 14 January 2025.

None of the other Trustees (or any persons connected with them) received remuneration during the year, or were reimbursed expenses (2022: nil).

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**9 EMPLOYEES**

<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salary costs	1,904,150	2,066,696
Social Security costs	172,905	200,401
Pension costs - defined contribution	79,294	120,205
	<u>2,156,349</u>	<u>2,387,302</u>

**Number of employees**

The number of employees, by headcount, during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Provision of community care	65	77
Blossoms Care Home	26	24
	<u>91</u>	<u>101</u>

The number of employees whose annual emoluments were £60,000 or more were:

	<b>2023</b>	<b>2022</b>
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	<u>1</u>	<u>-</u>

Of the employees whose emoluments exceed £60,000, 1 (2022: 2) have retirement benefits accruing under defined contribution schemes.

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis and are detailed on page 1. The aggregate remuneration paid to the key management personnel totalled £231,401 (2022: £199,254).

**10 INTANGIBLE ASSETS**

<b>Group</b>	<b>Goodwill</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost / deemed cost</b>		
As at 1 April 2022 and at 31 March 2023 as restated	295,710	295,710
<b>Amortisation</b>		
As at 1 April 2022	88,713	88,713
Charge for year	29,571	29,571
At 31 March 2023	<u>118,284</u>	<u>118,284</u>
<b>Net book values</b>		
At 31 March 2023	<u>177,426</u>	<u>177,426</u>
At 31 March 2022	<u>206,997</u>	<u>206,997</u>

INSPIRE COMMUNITY TRUST

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023

11 TANGIBLE ASSETS	Land and buildings	Improvements to buildings	Fixtures, fittings and equipment & rental assets	Motor Vehicles	Total
Group	£	£	£	£	£
<b>Cost / deemed cost</b>					
As at 1 April 2022 as restated	3,452,958	1,657,491	1,020,309	37,007	6,167,765
Additions	-	820,342	45,051	-	865,393
Reclassification	-	513,779	(513,779)	-	-
Disposals	-	-	(1,095)	-	(1,095)
At 31 March 2023	<u>3,452,958</u>	<u>2,991,612</u>	<u>550,486</u>	<u>37,007</u>	<u>7,032,064</u>
<b>Depreciation</b>					
As at 1 April 2022 as restated	206,343	368,439	359,192	37,007	970,981
Charge for period	90,838	-	83,207	-	174,045
On disposals	-	-	(456)	-	(456)
At 31 March 2023	<u>297,180</u>	<u>368,439</u>	<u>441,943</u>	<u>37,007</u>	<u>1,144,569</u>
<b>Net book values</b>					
At 31 March 2023	<u>3,155,777</u>	<u>2,623,173</u>	<u>108,543</u>	<u>-</u>	<u>5,887,495</u>
At 31 March 2022 as restated	<u>3,246,615</u>	<u>1,289,052</u>	<u>661,117</u>	<u>-</u>	<u>5,196,784</u>

Included in land and buildings is freehold land at a value of £837,900. Land is not depreciated.

Charity	Land and buildings	Improvements to buildings	Fixtures, fittings and equipment & rental assets	Motor Vehicles	Total
	£	£	£	£	£
<b>Cost / deemed cost</b>					
As at 1 April 2022 as restated	2,802,137	1,657,490	944,165	37,007	5,440,799
Additions	-	820,342	45,051	-	865,393
Reclassification	-	513,779	(513,779)	-	-
Disposals	-	-	(1,095)	-	(1,095)
At 31 March 2023	<u>2,802,137</u>	<u>2,991,611</u>	<u>474,342</u>	<u>37,007</u>	<u>6,305,098</u>
<b>Depreciation</b>					
As at 1 April 2022 as restated	553,165	-	303,694	37,007	893,866
Charge for period	81,727	-	76,980	-	158,707
On disposals	-	-	(456)	-	(456)
At 31 March 2023	<u>634,892</u>	<u>-</u>	<u>380,218</u>	<u>37,007</u>	<u>1,052,116</u>
<b>Net book values</b>					
At 31 March 2023	<u>2,167,244</u>	<u>2,991,611</u>	<u>94,124</u>	<u>-</u>	<u>5,252,982</u>
At 31 March 2022 as restated	<u>2,248,972</u>	<u>1,657,490</u>	<u>640,471</u>	<u>-</u>	<u>4,546,933</u>

Included in land and buildings is freehold land at a value of £837,900. Land is not depreciated.

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**12 FIXED ASSET INVESTMENTS**

	Shares in subsidiary undertaking £	Total £
<b>Group</b>		
Market value at 1 April 2022 and at 31 March 2023	-	-
<b>Historical cost:</b>		
At 31 March 2023	-	-
At 31 March 2022	-	-
<b>Charity</b>	£	£
Market value at 1 April 2022 and at 31 March 2023	1,070,100	1,070,100
<b>Historical cost:</b>		
At 31 March 2023	1,070,100	1,070,100
At 31 March 2022	1,070,100	1,070,100

**Shares in subsidiary undertakings**

100% of 100 share capital of £1 each in Inspire Medicare Ltd

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

**Holdings of more than 20%**

The charity holds more than 20% of the share capital of the following company:

Subsidiary undertaking	Country of registration or incorporation	Proportion of voting rights and ordinary share capital held	Principal activity
Inspire Medicare Ltd	England and Wales	100%	Day care centre and medical care to the elderly and disabled people of the community
Blossoms Care Home Ltd	England and Wales	100%	Care home

## INSPIRE COMMUNITY TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 12 FIXED ASSET INVESTMENTS

The principal activity of Inspire Medicare Limited is the provision of a day care centre and medical care to the elderly and disabled people of the community. The investment is measured at cost less impairment on the basis that they represent shares in entities that are not publicly traded and the fair value cannot otherwise be measured reliably.

The trading results of Inspire Medicare Limited for the year ended 31 March 2023 are as follows:

	2023	2022
	£	£
Turnover	2,616,625	2,996,847
Other operating income	-	969
Administration costs	(2,545,620)	(2,944,829)
Operating surplus for the year	71,005	52,987
Corporation tax	(10,068)	-
Distributions to parent charity under gift aid	(35,132)	-
Retained surplus for the year	25,805	52,987

The assets and liabilities of the subsidiary at 31 March 2023 were:

Current assets	1,379,092	822,612
Current liabilities	(1,265,068)	(734,393)
Aggregate share capital and reserves	114,024	88,219
Share capital	100	100
Profit and loss reserve	113,924	88,119
	114,024	88,219

The principal activity of Blossoms Care Home Limited is the provision of a care home. The investment is measured at cost less impairment on the basis that they represent shares in entities that are not publicly traded and the fair value cannot otherwise be measured reliably.

The trading results of Blossoms Care Home Limited for the year ended 31 March 2023 are as follows:

	2023	2022
	£	£
Turnover	772,055	513,019
Other operating income	-	20,871
Cost of sales	(41,455)	(22,848)
Administration costs	(777,363)	(601,807)
Operating surplus for the year	(46,763)	(90,765)
Corporation tax	15,911	-
Distributions to parent charity under gift aid	-	-
Retained (deficit) for the year	(30,852)	(90,765)

The assets and liabilities of the subsidiary at 31 March 2023 were:

Fixed assets	634,510	649,848
Current assets	1,090,462	637,548
Current liabilities	(1,870,109)	(1,408,857)
Aggregate share capital and reserves	(145,137)	(121,461)
Share capital	100	100
Profit and loss reserve	(145,237)	(121,561)
	(145,137)	(121,461)

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

13 STOCKS	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Finished goods	94,841	97,528	94,841	97,528

14 DEBTORS	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	1,020,320	1,246,031	437,283	821,103
Other debtors	408,396	225,401	408,396	106,131
Amounts due from subsidiary undertaking	-	-	1,167,834	858,671
Prepayments and accrued income	145,344	61,931	57,238	60,909
	1,574,060	1,533,363	2,070,751	1,846,814

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
		as restated		as restated
Bank overdraft	15,380	6,745	15,380	6,745
Amounts due to subsidiary undertaking	-	-	665,102	-
Capital grant	1,000	1,000	1,000	1,000
Trade creditors	179,248	497,694	177,566	497,694
Taxes and social security costs	33,190	78,751	28,276	64,822
Other creditors	276,737	291,943	62,869	88,269
Accruals	398,461	79,505	288,929	38,904
	904,017	955,638	1,239,123	697,434

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Original grant	50,000	50,000	50,000	50,000
Grant released brought forward	(10,678)	(9,678)	(10,678)	(9,678)
Grant release	(1,000)	(1,000)	(1,000)	(1,000)
Revaluation of fixed assets held under grants	(11,678)	(10,678)	(11,678)	(10,678)
Capital grant	38,322	39,322	38,322	39,322

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Debt due in one year or less	1,000	1,000	1,000	1,000
In more than one year but not more than two years	37,322	38,322	37,322	38,322
	38,322	39,322	38,322	39,322

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.

## **INSPIRE COMMUNITY TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

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#### **17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS**

The Trust's employees belong to the following pension schemes: the NHS Pension Scheme and the Local Government Pension Scheme (LGPS), which is managed by London Borough of Bexley. Both are multi-employer defined benefit schemes. In addition, the Trust operates a defined contribution stakeholder scheme and contribute into personal pension schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the NHS Pension Scheme related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

In February 2025, the Trust was admitted into the LGPS to accommodate staff previously employed by London Borough of Bexley being transferred to the Trust under TUPE provisions. The LGPS transferred these employees to the Trust on 1 March 2005 and a further group of staff in August 2010 when the Integrated Community Equipment Service transferred. The minimum contribution rates for the year was 21.1%. Under the terms of the new block contract with the London Borough of Bexley, which commenced on 1 September 2016, the Trust recovers all but 6% of the Employer's contribution.

In April 2011, the Trust became a Direction Employer for the NHS Pension Scheme when staff were transferred under TUPE provisions from South London Healthcare NHS Trust to operate the Wheelchair Service. The employer's contributions were paid at the rate of 14.4%. Under the terms of the new block contract with the London Borough of Bexley, which commenced on 1 September 2016, the Trust recovers all but 6% of the Employer's contribution. In December 2019, the Trust also took on NHS staff transferred under TUPE provisions from Oxleas NHS Foundation Trust and we await approval as a Direction Employer for these staff.

#### **NHS Pension Scheme**

##### **Introduction**

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

##### **Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS**

**(Continued)**

**NHS Pension Scheme (continued)**

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

**Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Under the definitions set out in FRS 102, the NHS Pension Scheme is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Pension contributions amounting to £574 (2022: £1,850) were unpaid to the NHS Pension Scheme at 31 March 2023.

**London Borough of Bexley Pension Fund**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2023 was £53,535 (2022: £75,111, of which employer's contributions totalled £40,879 (2022: £56,383) and employees' contributions totalled £12,656 (2022: £18,728). The employer's contributions are effectively shown as a gain on the LGPS asset, in the absence of full disclosure of the LGS asset/liability.

The primary contribution rate for future years are 21.1% (from 1 April 2022) then increasing to 24.1% (from 1 April 2023) for employers and 5.5% to 12.5% for employees. There is also a secondary contribution rate due to the Trust's share of the LGPS being in surplus which amounts to -21.1% (from 1 April 2022) and -24.1% (from 1 April 2023).

Pension contributions amounting to £893 (2022: £1,200) were unpaid to the London Borough of Bexley Pension Fund at 31 March 2023.

As detailed in the Audit Report on page 9 the Trust has not obtained a LGPS FRS102 valuation for the year ended 31 March 2023 and therefore full disclosure of the FRS102 accounting requirements has not been possible.

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS** (Continued)  
Other defined contribution schemes

The Trust has staff auto enrolled, as appropriate, into the Government's NEST scheme. The Trust 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 the Trust took over certain services from Apex Medical and 23 staff were TUPE'd over. These staff are members of the NOW Pension Scheme.

	2023	2022
	£	£
Contributions payable by the company for the year	25,477	23,893

Pension contributions amounting to £5,495 (2022: £11,205) were unpaid to the stakeholder schemes at 31 March 2023.

**18 COMPANY STATUS**

The charity is a company limited by guarantee. In the event of a winding-up the liability of each member will not exceed £1.

**19 RESTRICTED FUNDS**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2022	Income	Expenditure	Transfers between funds	Balance at 31 March 2023
	£	£	£	£	£
<b>CURRENT YEAR</b>					
Day services and sensory support services	56,554	-	-	-	56,554
	56,554	-	-	-	56,554
<b>COMPARATIVE YEAR</b>					
Day services and sensory support services	56,554	-	-	-	56,554
	56,554	-	-	-	56,554

Day services and sensory support services      Funds received specifically for day services (activities and transport) and sensory support services.

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**20 DESIGNATED FUNDS**

The income funds of the group include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

<b>GROUP - CURRENT YEAR</b>	<b>Balance at 1 April 2022</b>	<b>New designations</b>	<b>Designations released</b>	<b>Transfers/ Gains</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£	£
Business development	20,617	-	-	-	20,617
Fixed asset fund	-	6,064,921	-	-	6,064,921
Dilapidations fund	100,000	-	-	-	100,000
	<b>120,617</b>	<b>6,064,921</b>	<b>-</b>	<b>-</b>	<b>6,185,538</b>

<b>GROUP - COMPARATIVE YEAR</b>	<b>Balance at 1 April 2021</b>	<b>New designations</b>	<b>Designations released</b>	<b>Transfers/ Gains</b>	<b>Balance at 31 March 2022</b>
	£	£	£	£	£
Building maintenance and development	389,089	-	(389,089)	-	-
Business development	20,617	-	-	-	20,617
Service development	87,000	-	(87,000)	-	-
Dilapidations fund	100,000	-	-	-	100,000
	<b>596,706</b>	<b>-</b>	<b>(476,089)</b>	<b>-</b>	<b>120,617</b>

<b>CHARITY - CURRENT YEAR</b>	<b>Balance at 1 April 2022</b>	<b>New designations</b>	<b>Designations released</b>	<b>Transfers/ Gains</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£	£
Business development	20,617	-	-	-	20,617
Fixed asset fund	-	6,323,082	-	-	6,323,082
Dilapidations fund	100,000	-	-	-	100,000
	<b>120,617</b>	<b>6,323,082</b>	<b>-</b>	<b>-</b>	<b>6,443,699</b>

<b>CHARITY - COMPARATIVE YEAR</b>	<b>Balance at 1 April 2021</b>	<b>New designations</b>	<b>Designations released</b>	<b>Transfers/ Gains</b>	<b>Balance at 31 March 2022</b>
	£	£	£	£	£
Building maintenance and development	389,089	-	(389,089)	-	-
Business development	20,617	-	-	-	20,617
Service development	87,000	-	(87,000)	-	-
Dilapidations fund	100,000	-	-	-	100,000
	<b>596,706</b>	<b>-</b>	<b>(476,089)</b>	<b>-</b>	<b>120,617</b>

Building maintenance and development  
Business development  
Service development  
Dilapidations fund

Building development and purchase of business premises for sustainability of the business.  
Publicity and marketing of existing and/or new services.  
Pump priming new services for future sustainability of the organisation.  
Repairs required to the premises and equipment should the contract cease or our leasehold properties are handed back to the lessor.  
represents the net book value of fixed assets held net of any associated borrowings.

Fixed asset fund

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>GROUP</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>CURRENT YEAR</b>				
Fund balances at 31 March 2023 are represented by:				
Intangible fixed assets	-	177,426	-	177,426
Tangible fixed assets	-	5,887,495	-	5,887,495
Investments	-	-	-	-
Current assets	(3,625,627)	6,185,538	56,554	2,616,465
Creditors: amount falling due within one year	(904,017)	-	-	(904,017)
Creditors: amount falling due after more than one year	(37,322)	-	-	(37,322)
Defined benefit pension	-	-	-	-
	<u>(4,566,966)</u>	<u>12,250,459</u>	<u>56,554</u>	<u>7,740,047</u>

<b>COMPARATIVE YEAR</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 March 2022 are represented by:				
Intangible fixed assets	206,997	-	-	206,997
Tangible fixed assets	5,196,780	-	-	5,196,780
Investments	-	-	-	-
Current assets	3,270,562	120,617	56,554	3,447,733
Creditors: amount falling due within one year	(955,638)	-	-	(955,638)
Creditors: amount falling due after more than one year	(38,322)	-	-	(38,322)
Defined benefit pension	-	-	-	-
	<u>7,680,379</u>	<u>120,617</u>	<u>56,554</u>	<u>7,857,550</u>

**CHARITY**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>CURRENT YEAR</b>				
Fund balances at 31 March 2023 are represented by:				
Tangible fixed assets	-	5,252,982	-	5,252,982
Investments	1,070,100	1,070,100	-	2,140,200
Current assets	(3,522,724)	6,443,699	56,554	2,977,529
Creditors: amount falling due within one year	(1,239,123)	-	-	(1,239,123)
Creditors: amount falling due after more than one year	(37,322)	-	-	(37,322)
Defined benefit pension	-	-	-	-
	<u>(3,729,069)</u>	<u>12,766,781</u>	<u>56,554</u>	<u>9,094,266</u>

**COMPARATIVE YEAR**

	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	4,546,933	-	-	4,546,933
Investments	1,070,100	-	-	1,070,100
Current assets	3,278,588	120,617	56,554	3,455,759
Creditors: amount falling due within one year	(697,434)	-	-	(697,434)
Creditors: amount falling due after more than one year	(38,322)	-	-	(38,322)
Defined benefit pension	-	-	-	-
	<u>8,159,865</u>	<u>120,617</u>	<u>56,554</u>	<u>8,337,036</u>

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**22 RECONCILIATION OF NET EXPENDITURE TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	2023	2022
	£	£
		as restated
Net (expenditure)/income for year	(117,503)	112,171
Interest and investment income receivable	(7,101)	(1,376)
Depreciation of tangible fixed assets	174,045	160,451
Amortisation of goodwill	29,571	29,571
Loss on disposal of fixed assets	639	464
Decrease in stock	2,687	21,447
(Increase) in debtors	(40,697)	(163,643)
Increase/(decrease) in creditors	(61,262)	(165,931)
Net cash flow from operating activities	<u>(19,621)</u>	<u>(6,846)</u>

**23 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2022	Cash flow	Non-cash	At 31 March
	£	£	changes	2023
			£	£
Cash at bank and in hand	1,816,842	(869,278)	-	947,564
Bank overdrafts	(6,745)	(8,635)	-	(15,380)
	<u>1,810,097</u>	<u>(877,913)</u>	<u>-</u>	<u>932,184</u>
Debt due within one year	-	1,000	-	1,000
Debt due after one year	-	-	-	-
	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
	<u>1,810,097</u>	<u>(876,913)</u>	<u>-</u>	<u>933,184</u>

**24 FUTURE COMMITMENTS**

**Operating leases**

Total future minimum lease payments under non-cancellable operating leases are as follows:

Group	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within one year	35,185	57,500	9,917	9,377
Between two and five years	50,000	72,685	39,328	37,509
In over five years	1,348,322	1,360,822	2,422	11,800
	<u>1,433,507</u>	<u>1,491,007</u>	<u>51,667</u>	<u>58,686</u>
<b>Charity</b>	<b>Land and buildings</b>		<b>Other</b>	
	2023	2022	2023	2022
	£	£	£	£
Within one year	35,185	57,500	-	-
Between two and five years	50,000	72,685	-	-
In over five years	1,348,322	1,360,822	-	-
	<u>1,433,507</u>	<u>1,491,007</u>	<u>-</u>	<u>-</u>

**25 RELATED PARTIES**

No related parties transactions have been entered into during the year (2022: None).

**26 CAPITAL COMMITMENTS**

The charity had capital commitments at the year end as follows:

	2023	2022
	£	£
		restated
Maidstone Road	77,019	888,156
	<u>77,019</u>	<u>888,156</u>

**INSPIRE COMMUNITY TRUST**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**27 PRIOR YEAR ADJUSTMENTS**

<b>Reconciliation of changes in equity</b>	<b>01-Apr-21</b>	<b>31-Mar-22</b>
	<b>£</b>	<b>£</b>
Adjustments to prior year		
Motor vehicles incorrectly capitalised	(34,208)	(34,208)
Depreciation overprovided	-	14,353
Assets under construction incorrectly included as fixtures and fittings and depreciated	-	133,248
Pension creditor overstated	-	55,524
Duplicated income and duplicated trade debtors	(222,809)	(222,809)
Overstated goodwill	(134,273)	(134,273)
Overstated amortisation on goodwill	26,854	40,281
Equity as previously reported	8,109,815	8,005,434
Equity as adjusted	<u>7,745,379</u>	<u>7,857,550</u>

**Analysis of the effect upon equity**

Reconciliation of changes in surplus/deficit for the previous financial period

	<b>2022</b>
	<b>£</b>
Total adjustments	243,406
Loss as previously reported	(104,381)
Surplus as adjusted	<u>139,025</u>

**Notes to the reconciliation**

**Motor vehicles incorrectly capitalised and depreciation overprovided**

Motor vehicles that were on hire were incorrectly capitalised and therefore depreciated.

**Assets under construction incorrectly included as fixtures and fittings and depreciated**

Assets were incorrectly included as fixtures and fittings which were property improvements. In addition they were depreciated before the works were completed and the asset brought into use.

**Pension creditor overstated**

The pension creditor at 31 March 2023 was included at a value prior to a rebate on secondary contributions.

**Duplicated income and duplicated trade debtors**

Invoices raised in 2021 were effectively duplicated and therefore needed to be reversed.

**Goodwill on consolidation**

Goodwill acquired on consolidation was incorrect as the wrong reserves on acquisition were used, thus overstating goodwill.