



# Inspire

Culture | Learning | Libraries

Culture, Learning and Libraries (Midlands)

## Trustees' Annual Report and Accounts

1 April 2023 - 31 March 2024



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01

## Reference and Administrative Details of the Company, its Trustees and Advisers For the Year Ended 31 March 2024

**Trustees**

**Peter Gaw**, Member, Trustee and CEO  
**John Cottee**, Chair of Trustees  
**Margot Madin**, Chair of Audit and Finance Committee  
**Paul Henshaw**, Nominated by Nottinghamshire County Council Trustee  
**Liz Howell**, Co-opted Trustee (term ended October 2023)  
**Victoria Dunstall**, Co-opted Trustee  
**Jackie Hewlett-Davies**, Community Trustee  
**Leon Dale**, Community Trustee  
**Mark Dorrington**, Community Trustee  
**Diane Meale**, Community Trustee  
**Ann Penn**, Staff Representative Trustee

**Society Registered Number** RS0007139

**Registered Office**

Inspire HQ  
Glaisdale Parkway  
Nottingham  
NG8 4GP

**Independent Auditors**

PKF Smith Cooper Audit Limited  
Statutory Auditors  
2 Lace Market Square  
Nottingham  
NG1 1PB

**Bankers**

Barclays Bank Plc  
2 High Street  
Nottingham  
NG1 2EN



02

## Why we're here - Inspiring People to Read, Learn and Enjoy Culture

### Introduction from the Chair and Chief Executive

Culture, Learning & Libraries (Midlands), trading as Inspire, has enjoyed its eighth year of operations as we continue in our aim of inspiring Nottinghamshire communities to read, learn and enjoy culture.

Our forward plan 2022 – 2026 has underpinned our focus and development as an organisation, with the four priorities of **quality, dynamism, inclusivity** and **sustainability** being at the heart of the way we operate and deliver services.

We continue to have excellent staff and volunteers who are professional, skilled, enthusiastic, creative and committed to making a difference to communities, learners and students. As an organisation, we are more and more focused on the impact we make. For the young person gaining a music qualification or passing their GCSE maths, the isolated person joining a Places of Welcome session and connecting with the community again, to the new business being supported or the adult learner gaining employment, the outcomes and the change Inspire makes can be immense.

Our libraries are the backbone of Inspire, with millions of visits and hundreds of events, exhibitions, and courses available each week. The value of reading and literacy is at the heart of the service, with reading for pleasure having benefits for literacy, mental health, wellbeing and opening worlds not limited by our mobility or imaginations. Our adult reading scheme has been a great success, supporting those who as adults have struggled to read and write to become proficient readers for the first time. This scheme is supported by our Inspire Community Makers volunteers and featured on national television. The Bookstart gifting programme is reaching nearly all babies and toddlers, the Summer Reading Challenge had a bumper year and the Letterbox programme aimed at looked after children continues to connect with young people looked after by the County Council.

On a national stage, Inspire has been successful in the delivery of the Arts Council funded National Portfolio and through the Living Knowledge Network, we are able to bring resources from the British Library, alongside resources from Nottinghamshire Archives to audiences across Nottinghamshire. This year this included the Chinese and British exhibition and events, and the Fantasy: Realms of Imagination programme looking at the Fantasy genre.

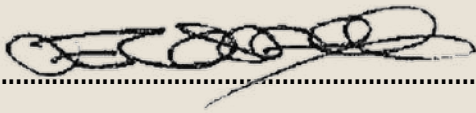
The whole of Inspire has a strong commitment to excellent customer service, and the recent successful reaccreditation to the Customer Service Excellence standard, alongside Matrix reaccreditation provides external verification.

Inflationary pressures have continued to provide significant challenges during the year. Good financial control and management of resources, plus support from Nottinghamshire County Council, have enabled a balanced outturn at the end of the financial year.

Inspire has continued to expand, with increased funding from Arts Council England as part of the National Portfolio and successful delivery of the adult numeracy programme, Multiply, on behalf of the County Council, alongside other grant funded projects.

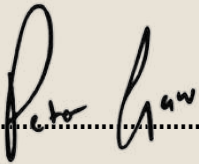
This year our annual report provides more information about what we have delivered and the outcomes. We do hope you are inspired to support and join us. In leading the board and the organisation, we are proud of the success and development of the Society.

**John Cottee - Chair of the Board**



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**Peter Gaw - Chief Executive Officer**



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## TRUSTEES' REPORT

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 April 2023 to 31 March 2024. The Trustees confirm that the annual report and financial statements of the Society (registered society number: RS007139) comply with the Cooperative and Community Benefit Societies Act 2014, the requirements of the Society's governing document and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to entities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).



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## What We've Delivered This Year

### KEY STATISTICS

Visits to libraries

**1,833,771**

Website visits

**1,835,008**

Questions to Ask Inspire

**52,649**

Visits to customers for  
home library service

**9,666**

Volunteering hours across Inspire

**11,860**

Volunteers

**591**

Engagements with young people  
through Inspire Youth Arts

**1,558**

Events and activities held at  
libraries

**18,823**

Children participating in  
Summer Reading Challenge

**10,135**

Bookstart Baby Packs Gifted

**8,466**

Class visits

**1,585**

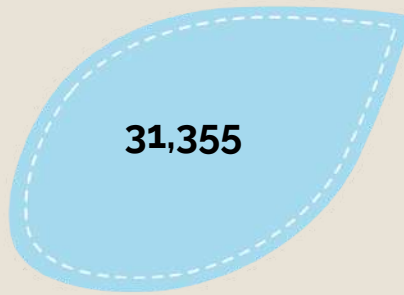
Education Library Service  
Customer Satisfaction

**99%**

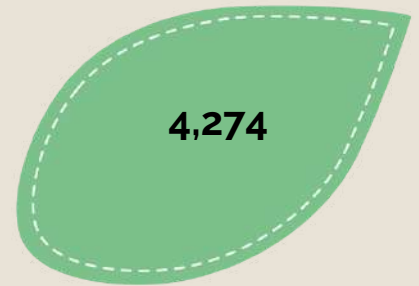
Items borrowed from libraries



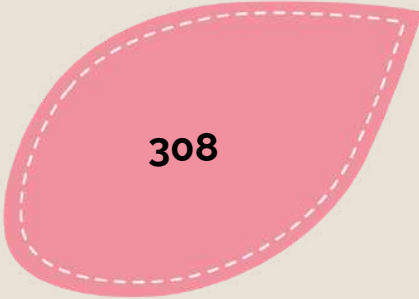
New library users



Adult learners  
(academic year)



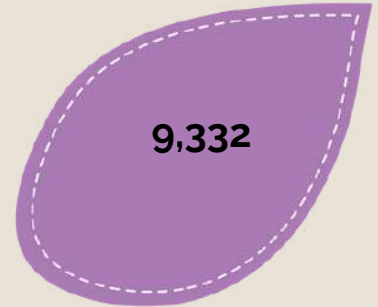
College students  
(academic year)



Views of Nottinghamshire Parish  
Registers on Ancestry



Photos added to Inspire Picture  
Archive



## Our Priorities and Outcomes

Our aim is to inspire people to read, learn and enjoy culture, and we work towards the delivery of eight outcomes across our services for our communities. We made great progress towards our aims and outcomes this year, and we prioritised quality, dynamism, inclusivity and sustainability, as we worked towards ensuring that everyone:

### ***Enjoys and values reading***

Our ground-breaking I Am A Reader project continued into 2023/24, with the inspiring I Am A Reader exhibition touring four more of our libraries. We continued to invite responses to our I Am A Reader survey, which asked 'Do you think you are being creative when you read?' up until the Autumn 2023, achieving a total of 501 responses. The Reading Agency has since been commissioned to evaluate the project and reader responses in a bid to give an insight into adult readers today.

We delivered a vibrant programme of author events for both adults and children, including Southwell Poetry Festival.

The number of books borrowed continued its upwards trend of post-Covid years, with over three million items loaned. Our digital offerings are gaining in popularity, with increasing numbers of people borrowing digital audio books, e-book titles and electronic magazines.

The end of the Summer Reading Challenge 2023, 'Ready, Set, Read!' saw 10,135 participants, an 8% increase on 2022, with children across Nottinghamshire reading six books throughout the holidays. We also hosted a national event at Mansfield Library for World Book Day.

### ***Can engage with and participate in arts, music and cultural activity***

Our wonderful knitters from our 2023 Charity Knitting Challenge created 871 Brave Bears which, after a colourful display in Mansfield Library, were gifted to Nottinghamshire Police for use with children they encounter who are in crisis. We enjoyed hosting a Fun Palace at Worksop Library which attracted 1,800 attendees, and participated in the Fun Palace as part of the Newark Creates Partnership.

We created the Time to Connect Art Trail for Nottinghamshire. British photographer Alistair Morrison and sculptor Chris Campbell worked with Inspire and Miner2Major to create a project that connects artists, venues, schools and community groups to help leave a legacy of Time to Connect artworks produced in collaboration in 6 key locations across Sherwood Forest:

-  **Bestwood Country Park** - The 28th Nottingham Boys' Brigade and Girls' Association
-  **Newstead Abbey** - Newstead Primary School
-  **Papplewick Pumping Station** - Beardall Fields Primary and Nursery School
-  **Rufford Abbey Country Park** - Bilsthorpe Flying High Academy
-  **RSPB Sherwood Forest National Nature Reserve** - 1st Edwinstowe Rainbows and Brownies
-  **Vicar Water Country Park** - 1st Clipstone Beavers, Cubs and Scouts

Each Nottinghamshire artwork is connected by the words: Take 'Time to Connect' with this place and with each other.

We hosted the Fantasy exhibition from the British Library as part of our Living Knowledge Network membership, and programmed a suite of themed events as it toured our library venues. We delved into the Nottinghamshire Archives and created a locally focused Fantasy pop up exhibition showcasing the fun side of Nottinghamshire heritage and our jigsaw groups got to try their skills at a doors of Nottinghamshire Archives jigsaw.

Thanks to Arts Council England funding through the National Portfolio, we provided three seasons of cultural programming in libraries throughout Nottinghamshire. We launched the wonderful Little Creatives Book, which provides 25 fun and engaging arts activities for early years to support development of a range of skills.

The Nottinghamshire Music Hub has performed well again this year with over 94% of Nottinghamshire schools engaging in improving their music provision with our help. The Hub has met or exceeded all targets agreed with Arts Council England and the Department for Education with SMART targets graded as 'engaging' or 'stretching'. Our performance is above the National average for the quality and breadth of singing provision within and outside of schools as well as music delivery planning and support for schools. With a particular focus on inclusion this year, there have been promising developments within special schools and with pupils needing additional support within mainstream settings.

We held several large events including 1,500 of our pupils playing alongside the Hallé orchestra, a full concert hall for our Inspired Christmas event and many performance opportunities throughout the year, including being able to support County Council events with our ensembles.

Inspire Youth Arts' young people produced a fantastic light installation called Standing Ground at Light Night in Nottingham, which attracted 5,250 visitors. Young people from Inspire Youth Arts continued to share their talents at the Commonwealth Concert at Nottingham Playhouse.

### ***Discovers, values and shares the Nottinghamshire Story***

Nottinghamshire Archives received 216 new collections in 2023, including fascinating new collections detailing the histories of local societies and voluntary organisations, religious groups, sports associations and businesses across Nottingham and Nottinghamshire.

Among the highlights of the Archives' growing collections, and further documenting the diversity of our local communities and their heritage, was the accession of 58 new oral histories on the theme of the 'Windrush Decision'. The oral histories were created by the Always Community Project and explore the experiences of people recruited from the Caribbean to live and work in the UK in the late 1940s, its impact on them and their families. On Windrush Day in June 2023 a celebration was held at the Archives where over 100 attendees joined to share a meal and view a related exhibition of film, pictures, and personal stories.

The Archives Conservation team carried out work on hospital records, maps and plans from the City Archive, and began a project to repair, digitise and rehouse collections of letters from World War II. Commercial conservation projects were completed for 13 private clients including a new presentation binding to be given to the Lord Lieutenant of Nottinghamshire on his retirement. In addition, the long-term conservation treatment of Southwell Minster's King James Bible was completed.

Our tenth annual local history fair was held at Mansfield Central Library in May and was rebranded as 'Hands on Heritage Day' to attract more families and engage new audiences in local heritage. Inspire welcomed over 900 visitors on the day, as well as a variety of local heritage organisations from across the county. Also in May 2023, we celebrated Local and Community History Month with a range of 26 events across 17 libraries, including a Photo Treasure Hunt at Arnold Library, an Anglo-Saxon themed craft session in Beeston, a colliery-themed display at Cotgrave Library, a photographic display of bygone shops in Retford, and a community heritage poetry project at West Bridgford.

The national Heritage Open Days festival in September 2023 featured the theme of 'Creativity Unwrapped', which we marked through a photography workshop at Bromley House Library, tours of Nottinghamshire Archives, a walk with the Mansfield Townscape Project, and the inauguration of Archives Escape!

Our annual programme of heritage talks featured 32 events in libraries and the Archives covering a fascinating range of subjects such as Sherwood Forest Scandals, Bradshaw's Railway guides, Mary Queen of Scots, model villages of the Nottinghamshire Coalfield, Roman Littleborough, Nottingham architecture and the Midland Railway. The Archives also welcomed people behind the scenes through a series of tours, Escape rooms, and conservation workshops.



Local studies librarians and archivists led a series of learning sessions, including a session on using local maps at Nottinghamshire Archives. 8 of the ever-popular 'Exploring' sessions took place in libraries around the county, covering local maps, military records, newspapers and parish registers, as well as 6 family history 1:1 tutorials.

### ***Lives an active, long and healthy life***

To combat loneliness and social isolation (which evidence shows can have a significant detrimental effect on people's health), Inspire has provided a wide range of community learning opportunities and regular activities in libraries including Knit and Natter sessions, crafting activities, reading groups, local history meetings as well as weekly Places of Welcome sessions at 10 libraries.

We celebrated Health Information Week from 3 -9 July 2023, with activities at 12 libraries promoting health and wellbeing information and activities by partners such as ABL Health, My Sight Notts and NHS Talking Therapies.

We also supported Nottinghamshire County Council with promoting World Suicide Information Day in September, with signposting and promoting our wellbeing resources, and information sessions in Mansfield, Beeston, Worksop and West Bridgford. We were reaccredited as a Carer Friendly Organisation by Nottinghamshire Carers Association in November 2023.

Inspire joined in the national celebration of the King's Coronation, including gardening and environmental activities to Cultivate for the King to celebrate the natural world, a theme which we continued for Libraries Week 2023.

Our volunteering programme, Community Makers, has continued to grow, with over 11,000 hours volunteered this year. We are very grateful to our wonderful volunteers who carry out a range of activities from delivering books to people at home to supporting adults to learn to read. We held our annual volunteer celebration event at Mansfield Library, and we also celebrated the wonderful contributions of staff and volunteers and achievements of learners at our Inspire Awards.



### ***Achieves their learning potential***

The quality of our learning provision was confirmed by the awarding of a 'Good' rating by Ofsted and excellent achievement rates across all provision. August saw a great celebration of Inspire College's GCSE resit results, with a huge 71% pass rate for maths and 41% for English, well above the national resit results.

Three varied programmes of adult learning activities were published during the year for each term, attracting learners to a range of learning opportunities across the county. The Adult Learning team increased its reach across all Nottinghamshire districts by working with over 4,000 enrolments across accredited and non-accredited courses. Of particular note was Inspire's new 'Universal Offer', which ensured that adults across every district of Nottinghamshire had easy access to a core programme of English, Maths, IT, ESOL (English for Speakers of Other Languages), and Employability Skills.

Inspire completed its delivery of the [Miner2Major project](http://miner2major.nottinghamshire.gov.uk) ([miner2major.nottinghamshire.gov.uk](http://miner2major.nottinghamshire.gov.uk)). This 5-year project, supported by the Heritage Lottery Fund and delivered in partnership with local organisations, enabled thousands of local residents to learn about and immerse themselves in local nature and heritage across the landscape area.

In the Heritage team, opportunities for volunteers to work on the planning and delivery of Archives outreach events provided young people with vital work experience which has supported one individual to progress to undergraduate History studies and another to secure employment in a local heritage organisation. The Archives Conservation team provided two work placements for students from the University of Lincoln to fulfil the practical training requirements of their studies; an MA student helped to rehouse and repair large plans relating to Nottingham City and a second year BA student worked on a large collection of photograph albums and scrapbooks as well as learning bookbinding skills.

### ***Is better informed and more knowledgeable***

Ask Inspire is our centralised customer care service that answers many of our enquiries and customer contacts either on the phone or via email. They dealt with over 50,000 contacts during the year, answering questions on anything citizens wanted assistance with, and signposting people to other organisations that can help.

We were proud to regain our Matrix accreditation for provision of advice, guidance and information across services in Inspire, as we support learners and customers to progress with their learning and information needs.

We continued to support new and emerging businesses through Business and Intellectual Property Centre points in libraries.

### ***Can be part of supportive, thriving, safe and sustainable communities***

Inspire put on a total of 18,823 events and activities during the year, in our buildings across the county. These gave customers a variety of options to take part or watch cultural, learning or other activities ranging from Places of Welcome through Knit and Natter to job clubs. We also supported Nottinghamshire County Council with their events, such as cost of living roadshows.

Nottinghamshire County Council in partnership with Inspire, got Arts Council England funding from the Libraries Improvement Fund to put in RFID self-service technology in our smallest libraries, to free up staff time to put on activities. We also continued our successful programme of investment in libraries and communities from the same fund as we refurbished and reopened Harworth and Bircotes, Burton Joyce and Woodthorpe Libraries and invested Towns Fund money to refurbish and open Stapleford and Kirkby Library and Learning Centres.

Inspire was delighted to achieve a silver Investors in Diversity award for inclusive practice as an employer, partner, commissioner and deliverer of services. A cohort of staff, learners and volunteers travelled to Gutersloh in Germany as part of the Urban X Change programme to foster understanding between communities, and hosted a reciprocal visit back to Broxtowe.

The Records Management team continues to provide a vital service in responding to information requests which facilitate social services in making timely interventions to support the welfare of children, young people and vulnerable adults.

### ***Can participate in increased economic growth and employment***

Inspire College's programme, which supports young people with disadvantaged backgrounds, worked with over 300 young people across its 9 Nottinghamshire bases to develop their employability skills, 73% of whom moved into further learning or employment.

Inspire also completed important place-based projects that helped local adults to retrain or re-enter the workplace through its Way2Work, Back2Work, Pathways to Health and Social Care, iProgramme, STEM and Digital Bootcamps.

Inspire Learning delivered the government's Multiply programme of adult numeracy training on behalf of Nottinghamshire County Council. 2,504 learners benefited from the programme over the year, completing a total of 7,966 learning hours.

We held Christmas Markets at Mansfield, Sutton, Arnold and Bingham Libraries, giving local producers, some of whom we had supported through the Business and Intellectual Property Centres, the opportunity to reach customers. Sutton Library held its first 'Baby Market' to enable parents and carers to shop sustainably and to buy and sell pre-loved items.



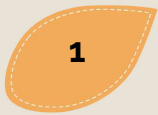
We launched our Takeover project, working with young people to develop their volunteering and skills. The Takeover Project, delivered through Captivate, the Cultural Education Partnership, 'took over' the old Debenhams department store in Mansfield with its DepARTment Festival, attracting 1,300 attendees.

For detailed information about the activity of the Society, a comprehensive news archive is maintained [online here](https://inspireculture.org.uk/be-inspired/news) (inspireculture.org.uk/be-inspired/news)



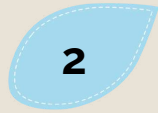
## 04 Looking Ahead

We continue to work on our four priorities for development as part of our 2022-2026 forward plan, as well as our eight outcomes. The four priorities are:



### **Dynamic Inspire**

Agile in adapting to change, use of technology and responsive to new opportunities.



### **Inclusive Inspire**

Reflecting diversity and local communities in our offer and programmes.



### **Quality Assured Inspire**

Reliable, trusted, ambitious and improving.



### **Sustainable Inspire**

Reduce environmental impact and become more financially sustainable.

In the coming year we see the devolution of adult skills funding to the new East Midlands Mayoral Combined Authority (EMMCA). Our expectation is that our core adult education funding will remain the same, however there is uncertainty more broadly in the range of learning project funding streams that end in March 2025.

In September 2024 we will open our new High Pavement Learning Centre in Sutton in Ashfield. This will provide a new base for our Inspire College vocational provision and allow an increased range of adult education opportunities to be offered in the evening and at weekends.

Hucknall Library will see capital investment in the autumn of 2024 through DCMS libraries capital funding grant and County Council capital investment. The library will be reorganised, refreshed and access to toilet facilities for customers and learners provided.

Major maintenance and improvement works by the County Council at Sutton in Ashfield library are due to take place in 2025, which will see the building infrastructure and fit out updated. Ashfield Towns Fund investment will create an innovation space to give access to industry standard digital services and learning programmes.

The library service will focus on developing its community and information roles, especially in supporting access to local services. Community and well-being-based services through the Village Hubs Project in 2022 and the COMF funded work during 2024 has highlighted the need and opportunity for local libraries to contribute to community life and make a real impact on people's sense of connection, wellbeing and access to learning and resources. Our aim in the coming year is to build on this work and through cultural and community funding streams seek to resource libraries to do more.

We will continue to expand our Community Makers volunteering programme in the coming year and work with current and new partners to offer new and enhanced services. We will run our Inspire Awards programme covering 2 years 2023 – 2025 with a celebration event in June 2025. We are also developing plans to launch a major reading and literacy programme as we reach our 10th birthday in 2026.

Inspire becomes the Music Hub Lead Organisation (HLO) for both Nottingham and Nottinghamshire, which provides a way to work with Nottingham Music Service to deliver enhanced opportunities for young people to realise their full musical potential. Alongside the grant funded work of Inspire Youth Arts, Inspire College programmes, family learning, the Library National Portfolio Organisation programme, Bookstart scheme, Summer Reading Challenge and an increasing number of craft and Lego clubs, our offer to children and young people is rich and diverse.

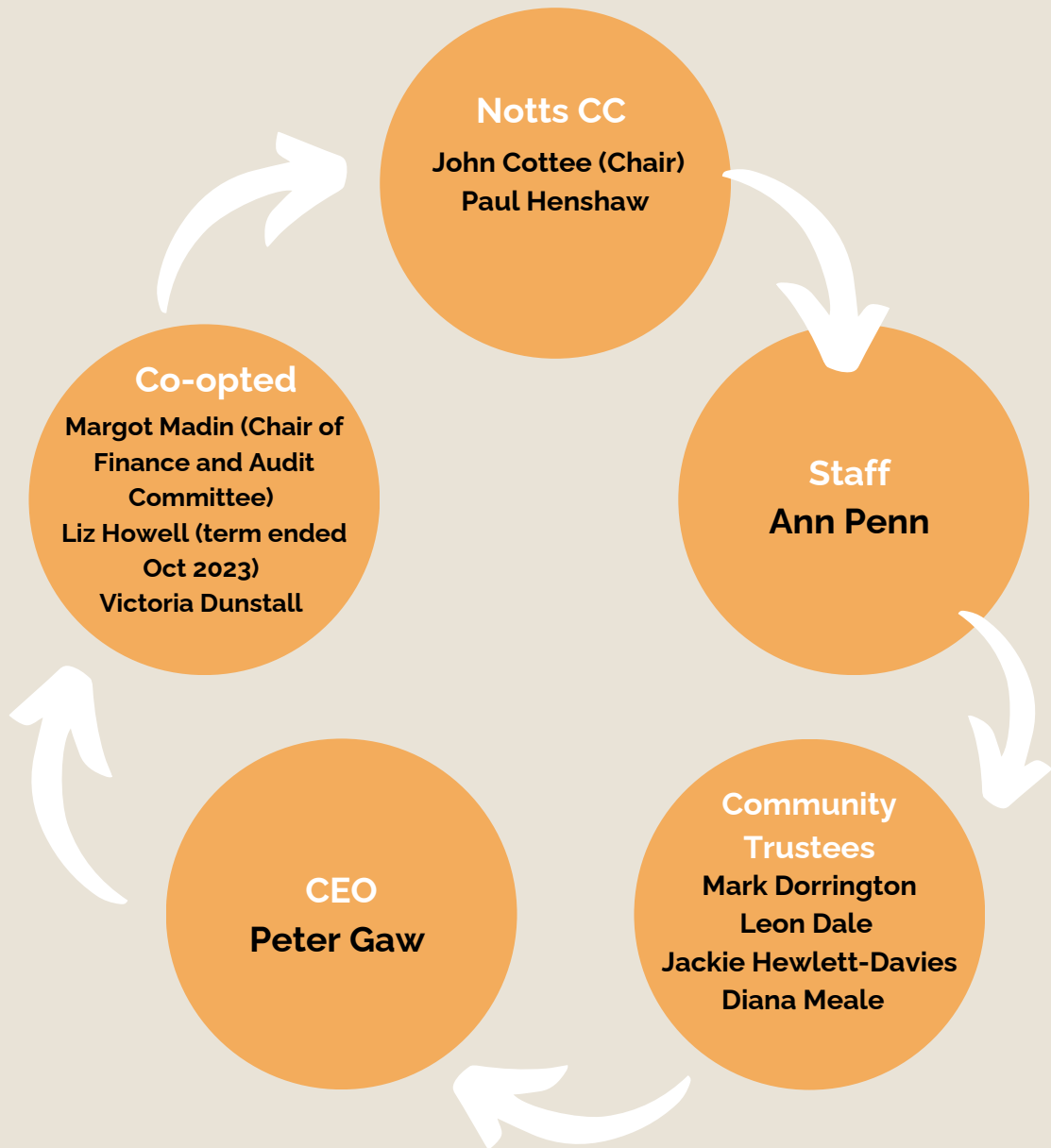
We know there will be challenges in the coming years, mainly financial as income generating services struggle to meet increased costs. Our Education Library Service and Music Teaching Services are always mindful to ensure that charges are affordable whilst ensuring income matches expenditure. Our adult education fee income has not recovered to pre-Covid levels, which does put pressure on budgets and constrains the programme we can offer.

The organisation continues to mature, and we are excited to maintain our range of services and impacts they make, and to seek new funding and income streams to expand the range and reach of what we can provide across Nottinghamshire.



## 05 Legal, Administrative and Governance Matters

Members of the Board who held office during the year:





## Recruitment and Appointment of Trustees

Our board of Trustees is made up of:

- The CEO
- Staff Trustee (1) - elected by staff members
- Community Trustees (up to 4) - elected by whole membership
- Council nominated Trustees (up to 2) nominated by Nottinghamshire County Council
- Co-opted Trustees (up to 4) - selected and appointed by members of the board.

A number of committees support the Board's governance of the Society, including Finance and Audit, Staffing and Standards, Learning and Skills and Music, Culture and Heritage.

For information about the organisation, its constitution and Board, please visit [www.inspireculture.org.uk/about-us](http://www.inspireculture.org.uk/about-us).

## Trustee Induction and Training

All new members of the board receive an induction programme to familiarise themselves with their role as trustees, as well as detailed information about Inspire.

Development activities and attendance at events is offered to all trustees throughout the year, including an annual away day. Service spotlights precede each board meeting to allow for deeper information sharing. Periodic skills audits are undertaken to ensure that the skills and experience of the Board of trustees align with those required for the management of the Society.

## Senior Officers of Inspire

The Chief Executive Officer (CEO) has delegated powers from the main Board to operationally manage the work of the Society. The CEO is supported by a Leadership Team consisting of an Assistant CEO, a Chief Finance Officer, Director of Culture, and Director of Learning.

## Membership of the Society

The Board of Trustees may, at its discretion, admit to membership any individual, corporate body or nominee of an unincorporated body, firm or partnership who supports the objects of the Society and has paid or agreed to pay any subscription or other sum due in respect of membership for the time being in force.

All those wishing to become a shareholding member must support the objects of the Society and complete an application for membership which shall include an application for at least one share in the Society. Such an application form must be approved by the Trustees and the Trustees must approve each application for a shareholding membership.

## Constitution

Inspire - Culture, Learning and Libraries (Midlands) is a not-for-profit Community Benefit Society registered with the Financial Conduct Authority (FCA), with charitable status. The Society was registered on 15 June 2015, and trading activity commenced on 1 April 2016. The Society has a contract with Nottinghamshire County Council (NCC) to deliver a range of cultural, learning and library services and a contract with Arts Council England (ACE) to host the Nottinghamshire Music Hub and deliver the Music Education Plan. The second five-year contract with Nottinghamshire County Council commenced on 1 April 2021. Inspire also became a National Portfolio Organisation (NPO) in April 2018 to deliver a range of arts and cultural programmes, and was again kept in the National Portfolio in the following funding round from April 2023. The County Council delivers its statutory library duty and legal archive obligations through its contract with Inspire.

Inspire is a membership organisation. All 691 staff as at 31 March 2024 are members and there are a total of 82,370 members as of 31 March 2024. The Society is governed by an independent Board of elected, nominated and co-opted Trustees.

## Policies and Objectives

Our mission is to inspire people to read, learn and enjoy culture. Our objects as a Society are:

- (a) the provision or assistance in the provision of facilities for recreation or other leisure time occupation in the interest of social welfare and with the object of improving the conditions of life for the public at large and for persons who by youth, age, infirmity or disablement poverty or social or economic circumstances may have need for such facilities;
- (b) to advance the education of people who live, work or study in or who visit the area of benefit including, without limitation, through:
  - (i) the provision of advice on the services and amenities available to them in the area of benefit;
  - (ii) the provision of an archive service including the collection and preservation of documents and other records related to the area of benefit;
  - (iii) the promotion of the arts, music, reading, heritage and culture;
  - (iv) the provision or assistance in the provision of lending and reference library services either free or at a reasonable charge;
  - (v) the provision or assistance in the provision of cultural resources (including but not limited to music and curriculum support) to schools and educational institutions either free or at a reasonable charge;

(vi) the provision and promotion of education and lifelong learning for adults and families;

(vii) the provision and promotion of training and skills development and schemes for young people whereby such young people may receive training for employment.

In setting its objectives above, the Trustees have given consideration to the guidance on public benefit published by the Charity Commission.

For information about the organisation, its constitution and Board, please **visit our website** ([inspireculture.org.uk](https://inspireculture.org.uk)).

## Engagement with Employees and Equalities

Employees have been consulted on issues of concern to them by means of regular consultative committees and have been kept informed on specific matters directly by management. Inspire offers exit interviews for all staff leaving the organisation and has various methods for staff to feedback to the Leadership Team.

Inspire has a set of detailed policies in relation to all aspects of personnel matters including equalities, volunteering and health and safety. There is a comprehensive review programme in place.

In accordance with the Society's Equalities Policy, the Society has long-established fair employment practices in the recruitment, selection, retention and training of staff. Our Equalities Policy states Inspire's commitment to the principles of the Equality Act 2010. This commitment is delivered through our recruitment and selection policy, performance management policy and business plans. Additional guidance is provided to managers to support them in the fair application of Inspire's policies.

Inspire is accredited to the Investors in Diversity silver standard.

### Recruitment and Selection Policy Extract:

The organisation is committed to applying its Equality Policy at all stages of recruitment and selection. Shortlisting, interviewing and selection will always be carried out without regard to disability, gender, gender reassignment, sexual orientation, marital or civil partnership status, colour, race, nationality, ethnic or national origins, religion or belief, age, pregnancy and maternity or trade union membership.

Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of their disability.

## **Performance Management Policy Extract:**

Managers are required to reasonably consider the performance issues and the action taken to address them before formal action is instigated. Employees will be given every opportunity and all appropriate support to improve. Early intervention by managers will include:

- clarifying the required standards identifying areas of concern;
- establishing the likely causes of poor performance (having regard to the possibility of making reasonable adjustments if the employee has a disability) and identify any training needs;
- setting targets for improvement and a timescale for review.

Full details of these policies are available from Inspire.

## Financial Review

### ***Going Concern***

After making appropriate enquiries and given the performance of the Society in 2023/24 and the level of reserves as at 31 March 2024, the Members have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### ***Financial Management***

Inspire has a set of financial regulations approved by the main Board and reviewed by the Finance and Audit Committee. The current financial regulations (which include procurement and reserve policies) can be **found here** ([inspireculture.org.uk/about-us/governance/documentation/](https://inspireculture.org.uk/about-us/governance/documentation/)).

A budget is set and approved by the Board in February each year, following agreement with Nottinghamshire County Council regarding the annual contract sum agreement reached by the preceding December. A zero-based budget planning approach commences in November with budget holders, establishing where savings, costs and budget pressures are likely to emerge.

Regular monitoring is undertaken by each Budget Manager, supported by the finance team, providing updates on the forecast annual outturn. The Inspire Leadership Team reviews financial information monthly, and regular financial reports are provided to the main Board, the Finance and Audit Committee (FAC) and to the Council at quarterly contract meetings.

The Chief Executive Officer (CEO) and Chief Finance Officer (CFO) meet on a regular basis to review the current position and emerging issues. The CFO has a small team of qualified accountants and technicians to ensure good financial management.

Inspire will file its annual report and accounts under the Charities SORP to the Financial Conduct Authority (FCA). The Society is externally audited annually by the accounting firm PKF Smith Cooper Audit Limited.

### ***Principal Funding***

Most funding for Inspire services comes from public funding. Nottinghamshire County Council is the main funder for Libraries, Archives, Culture and Records Management services. The County Council also provides several bought back services, which Inspire pays for (HR, ICT etc.) and provides for major property costs, pension liabilities and any future redundancy costs if initiated by reductions in its funding or grant funding.

The Education and Skills Funding Agency (ESFA) and the Arts Council England (ACE), through various channels, fund specific areas of service delivery, some through grant and some in a formula funding method relating to recruitment and retention of learners.

The Education Library Service and the Instrumental and Music Teaching Service are both reliant on income from schools and parents.

Income from non-school services-based fees, charges and sales is around £530k (22/23: £517k), with a principal area of income being from room hire to local community groups and businesses. External grant seeking is a core part of activity to enhance the range of projects and work within the community undertaken.

### ***Fundraising***

Inspire has no commercial fundraising arrangements in place and does not directly engage in fundraising activities. It does welcome donations.

### ***Management of Risk***

The Board considers its attitude to risk through an annual risk review. A strategic risk register is reported to the quarterly main Board meetings, and a financial risk register is reviewed by the Finance and Audit Committee at each meeting. The Inspire Leadership Team maintains two live logs, one covering risks for the organisation and the other covering its compliance. These are reviewed monthly.

The Strategic Risk Register and Issues Log identifies key risks which Inspire faces in meeting its goals, including a relative rating score of these risks and accompanying list of management actions which the Board and the Leadership Team will take to reduce to an acceptable level.

The Finance and Audit Committee (FAC) has a range of delegated responsibilities from the main Board to ensure the good financial management and position of the Society. These include reviews of procurement, financial regulations and appointment of external auditors. The committee supports the Chief Finance Officer in developing strong and sustainable finances, provides financial scrutiny and ensures good financial management for the organisation.

### ***Areas of Risk and Volatility***

The range of unfunded inflationary and statutory requirements are difficult to accurately forecast.



Financial planning is based on reasonable assumptions around these pressures. Income from schools and from fees and charges continues to be under pressure. The position in relation to funding for adult learning is unclear, as the new East Midlands Combined Authority takes the lead on the Adult Skills Fund (formerly Adult Education Budget). Inflationary pressures on utilities and staffing have increased significantly over the last 2 years. This places long term financial strain on the Society where services are outside of the County Council contract.

Inspire acknowledges that its reliance on public funding is a challenge to its long-term sustainability as the landscape for the public finances remains very challenging.

Inspire's response is to continue to drive down costs and become more effective and efficient as it gains from the synergies and economies of scale offered by the size and reach of the range of Inspire services.

### ***Capital Investment***

The County Council continues to invest in Inspire buildings and technical infrastructure. A capital programme of £2m to replace and upgrade the Inspire wide area network and the public ICT equipment was mainly completed in 2023/2024.

Capital works have been undertaken to improve Kirkby Library and Learning Centre (through Ashfield Towns Fund) and to upgrade learning facilities at Stapleford Library and Learning Centre (through the Stapleford Towns Deal).

The County Council has also undertaken significant work to upgrade and improve heating and ventilation systems at Newark Library. In addition, the library received a minor reorganisation and refresh.

### ***Defined Benefit Pension Scheme***

The Trustees would like to draw your attention to the impact of its Defined Benefit Pension Scheme on the Society's financial position.

The Society is a member of a multi-employer Local Government Pension Scheme (LGPS) administered by Nottinghamshire County Council, which is a Defined Benefit Pension Scheme.

Under a methodology prescribed by Financial Reporting Standard 102 (FRS 102), an annual valuation of the scheme must be made. Any deficit in the scheme's assets compared with its future obligations (liabilities) must be included on the Society's Balance Sheet. Following a valuation of the scheme (under FRS102) at 31 March 2024, a pension scheme surplus of £124,000 was identified. However, due to the unlikelihood of this surplus being realised, this has not been included on the Balance Sheet as an asset. Please see note 2.10 in the Notes to the Financial Statements for further information.

The FRS 102 valuation differs from the methodology adopted by the scheme's actuary. In comparison, the FRS 102 methodology results in a much higher charge to the Statement of Financial Activities. The current service cost of £1,113,000 represents the cost to the employer of benefits earned by active members calculated on an FRS 102 basis, and is not the same as the employer contributions paid of £981,000.

A triennial valuation is undertaken by the actuary and required rates of contributions are established for the short to medium term. The Trustees foresee no issues in meeting employer pension contributions for the foreseeable future and, given the level of the Society's reserves, the Trustees are confident that it can meet all foreseeable calls on it by the pension scheme while meeting all other known financial obligations.

### ***Reserves Policy***

Inspire has set itself the requirement to maintain at least one month's operating costs as a cash reserve total. This amounts to £1.3m (to provide one month's salary cover and statutory payments) in total, split between £756k of unrestricted funds and £581k of restricted funds. Inspire's unrestricted reserves at 31 March 2024 amount to £1.6m.

It should be noted that a significant element of financial risk is held or shared with Nottinghamshire County Council covering redundancy costs, pension liabilities, major building maintenance and capital replacement of buildings, vehicles, and technical infrastructure.

### ***Pay Policy for Senior Staff***

All Inspire posts are linked to a grading scheme, nationally recognised by local government. All posts are evaluated against either the National Job Evaluation (NJE) Scheme or the HAY Evaluation Scheme. This evaluation includes senior staff. Job evaluation services are provided by an external organisation.

### ***Financial Results***

The total turnover of the Society in its eighth year was £23.03m and this is split as £10.36m restricted and £12.67m unrestricted income (22/23: £21.26m turnover of which £9.54m was restricted and £11.72m unrestricted).

The liquidity position of Inspire is excellent, largely due to receiving grants in advance of expenditure, as well as good debt and credit control. Deferred income (i.e. money paid to us in advance) at the end of March 2024 was £1,082,048 (22/23: £299,161).

The level of bank and cash balances at the year-end of £3.68 million represents 16.02% of income from charitable activities (22/23: £4.91m, 23.2%) or 1.92 months (22/23: 2.55 months) of average expenditure.

### ***Statement of Trustee's Responsibilities***

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

### ***Disclosure of Information to Auditors***

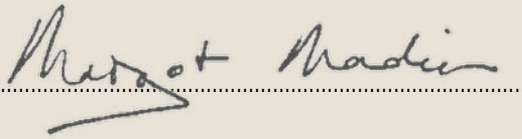
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

### **Auditors**

The auditors, PKF Smith Cooper Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

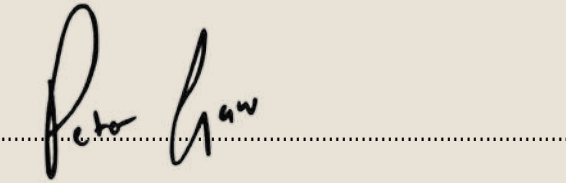


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### **Margot Madin**

Trustee and Chair of Finance and Audit Committee

Date: 19/09/2024



.....

### **Peter Gaw**

Trustee and CEO

Date: 19/09/2024

## Independent Auditors' Report to the Members of Culture, Learning and Libraries (Midlands)

### ***Opinion***

We have audited the financial statements of Culture, Learning and Libraries (Midlands) (the Society) for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

### ***Basis for Opinion***

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

### ***Conclusions Relating to Going Concern***

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society'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.

## 07 Independent Auditors' Report (continued)

### ***Conclusions Relating to Going Concern (continued)***

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### ***Other Information***

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In the light of our knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

### ***Responsibilities of Trustees***

As explained more fully in the Trustees' responsibilities statement, the Trustees 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.

## 07 Independent Auditors' Report (continued)

### ***Responsibilities of Trustees (continued)***

In preparing the financial statements, the Trustees are responsible for assessing the Society'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 Society or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Society and industry, we identify the key laws and regulations affecting the Society. We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions.

We focussed on those areas that could give rise to a material misstatement in the Society's financial statements. Our procedures included, but were not limited to:

- enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- reviewing minutes of meetings of those charged with governance where available;
- reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- 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 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 bias.



## 07 Independent Auditors' Report (continued)

### ***Auditors' Responsibilities for the Audit of the Financial Statements (continued)***

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the **Financial Reporting Council's website** ([frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit](https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit)). This description forms part of our Auditors' report.

### ***Use of our Report***

This report is made solely to the members in accordance with Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members for our audit work, for this report, or for the opinions we have formed.

PKF Smith Cooper Audit Limited

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### **Sarah Flear (Senior Statutory Auditor)**

for and on behalf of

### **PKF Smith Cooper Audit Limited**

Statutory Auditors

2 Lace Market Square

Nottingham

NG1 1PB

Date: 19 September 2024

08

## Statement of Financial Activities (incorporating Income and Expenditure Account) for the year ended 31 March 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Restricted Fixed Assets 2024 £	Total Funds 2024 £	Total Funds 2023 £
<b>Income From:</b>						
Donations & Legacies	3	5,234	501	-	5,734	-
Charitable Activities	4	12,620,932	10,360,620	-	22,981,552	21,224,259
Trading Activities	5	41,497	-	-	41,497	38,100
<b>Total Income</b>		<b>12,667,662</b>	<b>10,361,121</b>	<b>-</b>	<b>23,028,783</b>	<b>21,262,359</b>
<b>Expenditure On:</b>						
Trading Activities		21,007	-	-	21,007	12,397
Charitable Activities	6	11,893,066	10,078,677	1,052,933	23,024,675	23,102,538
<b>Total Expenditure</b>		<b>11,914,072</b>	<b>10,078,677</b>	<b>1,052,933</b>	<b>23,045,682</b>	<b>23,114,935</b>
<b>Net (expenditure)/Income</b>		<b>753,590</b>	<b>282,444</b>	<b>(1,052,933)</b>	<b>(16,899)</b>	<b>(1,852,576)</b>
Transfers between funds	18	(776,220)	(304,188)	1,080,409	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(22,630)</b>	<b>(21,744)</b>	<b>27,476</b>	<b>(16,899)</b>	<b>(1,852,576)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	688,000	-	-	688,000	22,920,000
<b>Net movement in funds</b>		<b>665,370</b>	<b>(21,744)</b>	<b>27,476</b>	<b>671,101</b>	<b>21,067,424</b>
<b>Reconciliation of Funds:</b>						
Total Funds brought forward		967,935	2,481,790	2,369,942	5,819,667	(15,247,757)
<b>Net movement in funds</b>		<b>665,370</b>	<b>(21,744)</b>	<b>27,476</b>	<b>671,101</b>	<b>21,067,424</b>
<b>Total funds carried forward</b>		<b>1,633,305</b>	<b>2,460,046</b>	<b>2,397,418</b>	<b>6,490,768</b>	<b>5,819,667</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 39 to 63 form part of these financial statements.

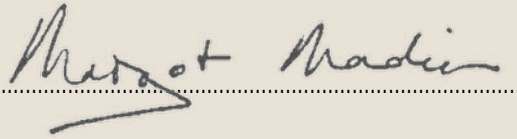
## 09 Balance Sheet as at 31 March 2024

	Note	2024		2023	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	13		2,397,417		2,369,942
<b>Current Assets</b>					
Debtors	14	3,736,908		1,613,651	
Cash at bank and in hand		3,682,470		4,914,887	
		<u>7,419,377</u>		<u>6,528,538</u>	
Creditors: amounts falling due within one year	15	(3,324,928)		(2,542,618)	
<b>Net Current Assets</b>			<u>4,094,449</u>		<u>3,985,920</u>
<b>Total Assets less Current Liabilities</b>			<u>6,491,866</u>		<u>6,355,862</u>
Creditors: amounts falling due within 2-5 years	16		(1,098)		(2,195)
<b>Net Assets excluding Pension Liability</b>			<u>6,490,768</u>		<u>6,353,667</u>
Defined Benefit Pension Scheme Asset/(Liability)	24		-		(534,000)
<b>Total Net Assets</b>			<u>6,490,768</u>		<u>5,819,667</u>
<b>Society Funds</b>					
<b>Restricted Funds</b>					
Inspire Learning	18	1,509,525		1,651,792	
Arts	18	447,331		460,646	
Culture	18	233,870		171,054	
Heritage	18	184,057		188,537	
Libraries	18	75,000		-	
Donations & Legacies	18	10,262		9,761	
			<u>2,460,046</u>		<u>2,481,790</u>
<b>Restricted Fixed Asset Fund</b>	18		2,397,417		2,369,942
<b>TOTAL RESTRICTED FUNDS</b>			<u>4,857,463</u>		<u>4,851,732</u>
<b>Unrestricted Funds</b>					
Unrestricted funds excluding pension reserve	18	1,633,305		1,501,935	
Pension Reserve	18	-		(534,000)	
<b>TOTAL UNRESTRICTED FUNDS</b>			<u>1,633,305</u>		<u>967,935</u>
<b>TOTAL FUNDS</b>			<u>6,490,768</u>		<u>5,819,667</u>

**09 Balance Sheet as at 31 March 2024 (continued)**

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

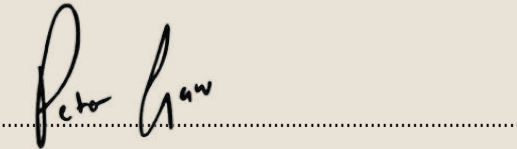
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Margot Madin**

Trustee and Chair of Finance and Audit Committee

Date: 19/09/2024



**Peter Gaw**

Trustee and CEO

Date: 19/09/2024

The notes on pages 39 to 63 form part of these financial statements.

## 09 Statement of Cash Flows for the year ended 31 March 2024

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities (Note 21)	(152,010)	<i>914,015</i>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	1,080,409	<i>(906,435)</i>
<b>Net cash used in investing</b>	<b><u>1,080,409</u></b>	<b><u>(906,435)</u></b>
<b>Change in cash and cash equivalents in the year</b>	<b>(1,232,418)</b>	<b><i>7,580</i></b>
Cash and cash equivalents at the beginning of the year	<u>4,914,887</u>	<u><i>4,907,307</i></u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>3,682,470</u></b>	<b><u><i>4,914,887</i></u></b>

The notes on pages 39 to 63 form part of these financial statements.



## Notes to the Financial Statements for the year ended 31 March 2024

### **1) General Information**

Culture, Learning and Libraries (Midlands) is a UK Society incorporated under the Co-operative and Communities Benefits Act 2014 and is registered on the Mutuals Public Register by the FCA. The address of the registered office is given in the company information page of these financial statements. The society's registered number is RS007139.

### **2) Accounting Policies**

#### **2.1 The Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Cooperative and Communities Benefits Act 2014.

Culture, Learning and Libraries (Midlands) constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling which is the functional currency of the Society and are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

On the commencement date of the Service Agreement with Nottinghamshire County Council (NCC), a consideration of £1 was payable by the Society for all equipment, furniture, fixtures and fittings, including but not limited to library books stock, musical instruments and shelving, on the site of the properties or used for the provision of the services. Legal title transferred to the Society at that date. In order to recognise the donation, for a value other than £1, a reliable value needs to be made for recognition to be permissible under the Charity SORP. Following appropriate review it was deemed impractical to measure the value of the donation reliably with sufficient material certainty and therefore the value of the donation was recognised at £1 in the year ended 31 March 2017.

The significant accounting policies which have been applied in the preparation of these financial statements are set out below.

## **2) Accounting Policies (continued)**

### **2.2 Income**

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

For legacies, entitlement is taken as the earlier of the date on which either: the Society is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Society has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Society, or the Society is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Society where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Society's accounting policies.

Donated services or facilities are recognised when the Society has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Society of the item is probable and that economic benefit can be measured reliably.

## **2) Accounting Policies (continued)**

### **2.2 Income (continued)**

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Society which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

### **2.3 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Expenditure on trading activities includes all expenditure incurred by the Society on noncharitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Society's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

### **2.4 Taxation**

The Society is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Society is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **2.5 Tangible Fixed Assets and Depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

## **2) Accounting Policies (continued)**

### **2.5 Tangible Fixed Assets and Depreciation (continued)**

Depreciation is provided on the following basis:

- Property Improvements - 5 years straight line
- Specialist Equipment - 5 years straight line
- Fixtures & Fittings - 5 years straight line
- Office Equipment - 3 years straight line
- Books - 7 years straight line

In preparing the financial statements the Trustees have concluded that it is more appropriate to depreciate the fixed assets over their expected useful economic life, for which in some cases this extends beyond the current core contract with Nottinghamshire County Council (NCC) to supply certain services. At the termination of the contract the assets are required to be transferred to any new provider of the services or to NCC for £1. This decision has been made on the basis that this more appropriately reflects the value of the assets to the Society, otherwise they would be written down over an artificially shorter period of time, particularly if the core contract is extended beyond the current agreed term. If the contract were to be terminated, a gift of the fixed asset of £1 would then be made at that time and the financial statements adjusted accordingly. In order to ensure transparency in reporting, the fixed assets are reported through a separate fund.

### **2.6 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### **2.7 Cash at Bank and in Hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **2.8 Creditors and Provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

## **2) Accounting Policies (continued)**

### **2.9 Financial Instruments**

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

### **2.10 Pensions**

Retirement benefits to employees of the society are provided by a defined contribution scheme and two defined benefit pensions schemes: the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the society.

For the defined contribution pension scheme, the pension charge represents the amounts payable by the society to the fund in respect of the year.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pensions over the employees' working lives with the society in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multiemployer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a defined benefit funded scheme and the assets are held separately from those of the society 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 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 gains and losses on the settlements and curtailments. They are included as part of staff costs as incurred. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs.

## **2) Accounting Policies (continued)**

### **2.10 Pensions (continued)**

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest costs on the defined benefit obligation and interest income on 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 gains and losses are recognised in other recognised gains and losses.

As a result of the assumptions applied by the actuary, the actuarial valuation at the year-end has resulted in a surplus position for the Society. This, however, has been reduced by the effects of the asset ceiling. The asset ceiling is the present value of any economic benefit available to the Employer in the form of refunds or reduced future employer contributions, which has been determined by the actuary. The recognition of a surplus under FRS102 should only be made to the extent that an employer can expect to secure economic benefit from it, either by paying a reduced rate of contributions or taking a refund. The Society has derecognised the asset ceiling surplus as it is not anticipated that the next actuarial valuation will result in a reduction to contributions or a refund. The full surplus has therefore been removed and the pension valuation is shown as a breakeven position at the year-end. The derecognition adjustment is shown within other recognised gains/losses within the Statement of Financial Activities.

### **2.11 Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### **2.12 Critical Accounting Estimates and Areas of Judgement**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Critical Accounting Estimates and Assumptions:**

The Society 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 on the next page.



## 2) Accounting Policies (continued)

### Local Government Pension Scheme:

The present value of the Local Government Pension Scheme defined benefit liability/asset 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 24, will impact the carrying amount of the pension liability/asset. 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/asset at 31 March 2024. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability/asset.

### Books:

An estimation of the level of disposals of books held in fixed assets has been made in order to determine a value to be accounted for within the financial statements. Due to the volume of books, the number of locations, differing useful economic lives, and the fact that books are taken out of the libraries resulting in losses, certain estimations have been made regarding the number of books no longer physically in existence. The estimated attrition rate applied for the year ended 31 March 2024 is 7.5%.

### 2.13 Irrecoverable VAT

The Society is registered for VAT, however due to the mixed nature of the supplies it makes, it has irrecoverable VAT arising due to partial exemption which is included in resources expended.

## 3) Income from Donations and Legacies

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Donations	5,234	501	<b>5,734</b>	-
<i>Total 2023</i>	-	-	-	

#### 4) Income from Charitable Activities

	<b>Unrestricted funds 2024</b>	<b>Restricted funds 2024</b>	<b>Total Funds 2024</b>	<b>Total Funds 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Learning	-	7,172,376	7,172,376	6,955,941
Music	-	2,054,155	2,054,155	2,019,712
Arts Council - NPO	-	513,148	513,148	263,610
Cultural Education Partnership	-	50,248	50,248	55,980
Arts Council - I am a Reader	-	12,752	12,752	7,393
The National Archives - New Burdens	-	-	-	457
National Manuscripts Conservation Trust	-	-	-	4,500
NCC - Heritage	-	-	-	25,092
Takeover - Pathways to work	-	104,800	104,800	131,000
Able Orchestra	-	-	-	82,500
InspiREAD	-	26,973	26,973	-
Newark Creates	-	170,750	170,750	-
Innovation Centres	-	255,419	255,419	-
Education Library Service	538,737	-	538,737	536,343
All Other Services	12,082,195	-	12,082,195	11,141,731
	<b>12,620,932</b>	<b>10,360,620</b>	<b>22,981,552</b>	<b>21,224,259</b>

Income from charitable activities for 2023 consisted of £11,678,074 of unrestricted income and £9,546,185 of restricted income.

#### 5) Trading Activities

Income from non-charitable trading activities.

	<b>Unrestricted funds 2024</b>	<b>Total Funds 2024</b>	<b>Total Funds 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trading Income	41,497	<b>41,497</b>	38,100
<b>Total 2023</b>	<b>38,100</b>	<b>38,100</b>	

## 6) Analysis of Expenditure on Charitable Activities

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total Funds 2024 £</b>	<b>Total Funds 2023 £</b>
Learning	-	7,314,643	7,314,643	6,842,080
Music	-	2,051,570	2,051,570	2,008,681
Inspire Youth Arts	-	-	-	3,687
Arts Council - NPO	-	492,165	492,165	351,538
Cultural Education Partnership	-	61,636	61,636	56,061
Arts Council - I am a Reader	-	7,054	7,054	24,746
NCC - Heritage	-	4,480	4,480	-
Takeover - Pathways to work	-	105,105	105,105	82,630
Able Orchestra	-	15,900	15,900	-
Newark Creates	-	149,894	149,894	-
Innovation Centres	-	180,419	180,419	-
Education Library Service	503,501	32,576	536,077	527,967
All Other Services	11,389,564	716,169	12,105,733	13,205,148
	<b>11,893,066</b>	<b>11,131,610</b>	<b>23,024,675</b>	<b>23,102,538</b>
<i>Total 2023</i>		<i>12,764,841</i>	<i>10,337,697</i>	<i>23,102,538</i>

## 7) Analysis of Expenditure by Activities

	<b>Activities undertaken directly 2024</b>	<b>Support Costs 2024</b>	<b>Total funds 2024</b>	<b>Total funds 2023</b>
Provision of services	21,975,265	1,049,410	<b>23,024,675</b>	<i>23,102,538</i>
<i>Total 2023</i>	<i>22,134,253</i>	<i>968,285</i>	<i>23,102,538</i>	

## 7) Analysis of Expenditure by Activities (Continued)

### Analysis of direct costs

	<b>Provision of Services 2024</b>	<b>Provision of Services 2023</b>
	<b>£</b>	<b>£</b>
Adult education	1,377,516	1,895,647
Agency and other staff	86,705	89,524
Bank Charges	8,331	6,133
Books and equipment	363,848	367,823
Computer and systems	598,812	583,793
Depreciation	904,792	866,339
Design and print	409,904	344,983
Events costs	821,392	615,600
External contractors	22,269	7,943
Irrecoverable VAT	317,902	291,209
Legal and professional	145,032	129,630
Loss on disposal of fixed assets	148,141	160,731
Net interest on pension obligation	3,000	545,000
Office and administration	205,495	214,222
Other costs	31,445	30,343
Other Staff Costs	94,014	76,855
Premises Costs	1,526,754	1,274,034
Professional Partners & Subscriptions	251,643	341,447
Staff costs	14,410,554	14,093,502
Vehicle and travel	247,718	199,495
	<b>21,975,265</b>	<b>22,134,253</b>

	<b>Provision of Services 2024</b>	<b>Provision of Services 2023</b>
<b>Analysis of Support Costs</b>		
Bank Charges	3,857	3,557
Computer & Systems	208,963	184,169
Design & Print	5,199	7,262
Governance	33,765	30,217
Legal & Professional	74,031	73,372
Office & Administration	37,103	18,735
Other Staff Costs	5,849	16,921
Premises Costs	214,712	193,112
Staff Costs	455,329	429,441
Vehicle & Travel	10,602	11,499
	<b>1,049,410</b>	<b>968,285</b>

Support costs have been allocated to certain service areas to ensure that the full costs of these service areas are recognised, and any resulting reserves are treated correctly. Where appropriate and possible, expenditure has been allocated directly to service areas. Where items of expenditure contribute directly to the output of more than one service area, they have been apportioned on a reasonable, justifiable, and consistent basis either by usage, per capita or on the basis of time, depending on the cost involved.



## 8) Direct and Support Costs Analysis by Fund

	<b>Direct Costs</b>	<b>Allocated Support Costs</b>	<b>Total Costs</b>	<b>Total Costs</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted</b>				
Learning	6,514,047	800,596	7,314,643	6,842,079
Music	1,942,166	109,404	2,051,570	2,008,681
Inspire Youth Arts	-	-	-	3,687
Arts Council - NPO	492,165	-	492,165	351,538
Cultural Education Partnership	61,636	-	61,636	56,061
Arts Council - I am a Reader	7,054	-	7,054	24,746
NCC - Heritage	4,480	-	4,480	-
Takeover - Pathways to work	105,105	-	105,105	82,630
Able Orchestra	15,900	-	15,900	-
Newark Creates	149,394	500	149,894	-
Innovation Centres	180,419	-	180,419	-
Restricted Fixed Assets	-	-	-	120,635
	<b>9,472,365</b>	<b>910,500</b>	<b>10,382,865</b>	<b>9,490,057</b>
<b>Unrestricted</b>				
Education Library Service	421,997	114,080	536,077	527,967
All Other Services	11,954,379	24,830	11,979,209	11,091,514
LGPS Pension Costs	154,000	-	154,000	1,993,000
	<b>12,530,376</b>	<b>138,910</b>	<b>12,669,286</b>	<b>13,612,481</b>
<b>TOTAL</b>	<b>22,002,741</b>	<b>1,049,410</b>	<b>23,052,151</b>	<b>23,102,538</b>

## 9) Auditors' Remuneration

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees payable to the Society's auditor for the audit of the Society's annual accounts	21,250	20,200
Fees payable to the Society's auditor in respect of:		
Audit related assurance services	1,275	1,210
Preparation of the annual accounts	-	2,195

## 10) Staff Costs

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and Salaries	12,131,783	10,746,562
Social Security Costs	966,377	873,429
Contribution to pension schemes	654,722	532,952
Operating costs of defined benefit pension schemes	1,113,000	2,370,000
	<b>14,865,883</b>	<b>14,522,943</b>

### 10) Staff Costs (continued)

The number of hours of time donated by general volunteers during the year is approximately 11,860 (22/23: 10,073). This has an approximate value of £144,455 to the Society (22/23: £112,616).

During the year, contractual redundancy payments of £4,958 (22/23: £0) were made to employees.

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

	<b>2024</b>	<b>2023</b>
Staff	687	699
Inspire Leadership Team	4	4
	<b>691</b>	<b>703</b>

The average headcount expressed as full-time equivalents was:

	<b>2024</b>	<b>2023</b>
Staff	371	354
Inspire Leadership Team	4	4
	<b>375</b>	<b>358</b>

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

	<b>2024</b>	<b>2023</b>
In the band £60,001 - £70,000	2	2
In the band £80,001 - £90,000	1	1

The remuneration of key management personnel during the year totalled £296,924 (22/23: £276,953) for short term employment benefits and £46,077 (22/23: £40,858) for post-employment benefits.

During the year retirement benefits were accruing to 4 (22/23: 4) key management personnel, of which 3 (22/23: 3) are a higher paid employee.



### 11) Trustees' Remuneration and Expenses

Trustees' remuneration was received in their capacity as employees of the society and not in respect of services as Trustees.

		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
P Gaw, Chief Executive	Remuneration	87,399	84,135
	Pension contributions paid	16,955	15,340
	Employer's NI	10,806	10,910
L Guildford	Remuneration	-	20,748
	Pension contributions paid	-	3,660
	Employer's NI	-	2,907
A Penn	Remuneration	40,501	17,451
	Pension contributions paid	7,857	3,158
	Employer's NI	4,334	1,500

During the year ended 31 March 2024, no expenses have been reimbursed or paid to Trustees (22/23: £Nil)

During the year, benefits were received by 5 Trustees (22/23: 5) with a total value of £79 (22/23: £85)

### 12) Interest Payable

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net Interest on defined benefit pension liability	<u>3,000</u>	<u>545,000</u>

### 13) Tangible Fixed Assets

	<b>Property Improvements</b>	<b>Specialist equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Office Equipment</b>	<b>Books</b>	<b>Total</b>
<b>Cost or Valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 1st April 2023	107,296	99,408	311,595	592,198	4,376,681	5,487,178
Additions	21,427	3,855	92,890	319,099	643,137	1,080,408
Disposals	-	-	-	-	(380,377)	(380,377)
<b>As at 31st March 2024</b>	<b><u>128,723</u></b>	<b><u>103,263</u></b>	<b><u>404,485</u></b>	<b><u>911,297</u></b>	<b><u>4,639,441</u></b>	<b><u>6,187,210</u></b>
<b>Depreciation</b>						
As at 1st April 2023	48,142	88,880	149,895	386,158	2,444,161	3,117,236
Charge for the Year	21,627	6,024	67,898	158,972	650,271	904,792
On Disposals	-	-	-	-	(232,236)	(232,236)
<b>As at 31st March 2024</b>	<b><u>69,769</u></b>	<b><u>94,904</u></b>	<b><u>217,793</u></b>	<b><u>545,130</u></b>	<b><u>2,862,197</u></b>	<b><u>3,789,793</u></b>
<b>Net Book Value</b>						
<b>As at 31st March 2024</b>	<b><u>58,954</u></b>	<b><u>8,359</u></b>	<b><u>186,693</u></b>	<b><u>366,166</u></b>	<b><u>1,777,245</u></b>	<b><u>2,397,417</u></b>
<i>As at 31st March 2023</i>	<i>59,154</i>	<i>10,528</i>	<i>161,700</i>	<i>206,040</i>	<i>1,932,520</i>	<i>2,369,942</i>

**14) Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade Debtors	2,520,990	944,046
Other Debtors	127	129
Prepayments and Accrued Income	1,215,791	669,476
	<b><u>3,736,908</u></b>	<b><u>1,613,651</u></b>

**15) Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade Creditors	701,840	580,085
Other taxation and social security	761,646	576,749
Other creditors	198,019	176,771
Accruals and Deferred Income	1,663,423	1,209,013
	<b><u>3,324,928</u></b>	<b><u>2,542,618</u></b>

**16) Creditors: amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Other Creditors	1,098	2,195

**17) Accruals and Deferred Income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Deferred Income at 1 April 2023	299,161	79,543
Resources deferred during the year	1,076,728	299,161
Amounts released from previous periods	(293,841)	(79,543)
<b>Deferred income at 31 March 2024</b>	<b><u>1,082,048</u></b>	<b><u>299,161</u></b>

## 18) Statement of Funds

### Statement of Funds - Current Year

	<i>Balance at 1 April 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2024</i> £
<b>Unrestricted Funds</b>						
Charitable Activities	1,355,943	12,087,428	(11,235,564)	(743,645)	-	1,464,163
Education Library Service	16,520	538,737	(503,501)	(32,576)	-	19,180
Trading	129,472	41,497	(21,007)	-	-	149,963
Pension Reserve	(534,000)	-	(154,000)	-	688,000	-
	<b>967,935</b>	<b>12,667,662</b>	<b>(11,914,072)</b>	<b>(776,220)</b>	<b>688,000</b>	<b>1,633,305</b>
<b>Restricted Funds</b>						
Inspire Learning	1,651,793	7,172,376	(7,146,118)	(168,525)	-	1,509,525
Cultural Education Partnership	11,388	50,248	(61,636)	-	-	-
Arts Council - NPO	111,295	513,148	(488,935)	(3,230)	-	132,278
Music	378,146	2,054,155	(2,046,746)	(4,823)	-	380,731
The National Archives - New Burdens	158,945	-	-	-	-	158,945
Arts Council - I Am A Reader	-	12,752	(6,331)	(723)	-	5,698
National Manuscripts Conservation Trust	4,500	-	-	-	-	4,500
NCC - Heritage	25,092	-	(4,480)	-	-	20,612
Takeover - Pathways into Work	48,370	104,800	(105,105)	-	-	48,065
Able Orchestra	82,500	-	(15,900)	-	-	66,600
InspiREAD	-	26,973	-	-	-	26,973
Newark Creates	-	170,750	(149,894)	-	-	20,856
Innovation Centres	-	255,419	(53,532)	(126,887)	-	75,000
Donations & Legacies	9,761	501	-	-	-	10,262
	<b>2,481,790</b>	<b>10,361,121</b>	<b>(10,078,677)</b>	<b>(304,188)</b>	<b>-</b>	<b>2,460,046</b>
<b>Restricted Fixed Asset Funds</b>						
Acquisition of fixed assets	2,369,942	-	(1,052,933)	1,080,408	-	2,397,417
<b>Total Restricted Funds</b>	<b>4,851,732</b>	<b>10,361,121</b>	<b>(11,131,610)</b>	<b>776,220</b>	<b>-</b>	<b>4,857,463</b>
<b>Total Funds</b>	<b>5,819,667</b>	<b>23,028,783</b>	<b>(23,045,682)</b>	<b>-</b>	<b>688,000</b>	<b>6,490,768</b>

The specific purpose for which funds are to be applied are as follows:

**Unrestricted income funds** represent those resources which may be used towards meeting any of the charitable objectives of the Society at the discretion of the Trustees.

**Restricted fixed asset funds** are resources which have been spent on specific fixed assets and are not able to be used for any other purpose.

**Restricted Funds comprise of the following:**

The Learning fund includes income from the Education and Skills Funding Agency towards Inspire's Young People's Study programme and Adult Learning programmes.

The Cultural Education Partnership fund includes income from the Arts Council towards the improvement and alignment of cultural education for young people.

## **18) Statement of Funds (continued)**

### **Restricted Funds comprise of the following: (continued)**

The Arts Council National Portfolio Organisation fund supports Inspire's programme of cultural events for children and young people.

The Music fund includes income from the Department for Education towards Inspire's Music Education Hub and Instrumental music programme.

The National Archives New Burdens fund develops capacity within Nottinghamshire Archives to manage and provide access to increased deposits of public records.

The Arts Council grant funded I Am A Reader fund supports a project to explore and celebrate the creativity of reading.

The National Manuscripts Conservation Trust fund supports the conservation of the (primarily) Victorian Nottingham City building plans.

The NCC Heritage fund supports additional records management services in relation to the destruction of confidential documents.

The Takeover – Pathways into Work fund includes income from the Department for Digital, Culture, Media and Sport, delivered by the Arts Council England, to create volunteering opportunities for young people to reach their creative potential.

The Arts Council grant funded Able Orchestra fund supports Inspire Youth Arts in creating an inclusive ensemble of disabled and nondisabled musicians, based on the principle of enabling people to create and perform music on equal terms, regardless of their physical dexterity or musical experience.

The Arts Council England InspiREAD fund is a National Lottery Project grant awarded to The Education Library Service to build on InspiREAD and encourage reading for pleasure within areas of social deprivation.

The Newark Creates fund includes funds from Newark & Sherwood District Council to support a cultural programme of events and activities for all ages, which is being developed as part of Newark's High Streets Heritage Action Zone.

The Innovation Centres fund includes funding from Towns Funds to support the refurbishment of Inspire's Innovation Centres.

Donations & Legacies include funds gifted to Inspire towards specific purchases.

Included within restricted funds is £2 of share capital. This represents the shares that were issued on the foundation of the Society. There are currently 2 member shares in issue, which are fully paid. No significant rights are attached to these shares. The members' liability is limited to the value of their shareholding.



## 18) Statement of Funds (continued)

### Restricted Funds comprise of the following: (continued)

As at the year end, the Society had 82,370 (22/23: 78,993) members made up of members of the public.

Those members have no rights beyond attending and voting on specific matters at general meetings. Whilst the rules of the Society determine that £1 should be paid to be a member of the Society, in practice, payment is neither requested nor made. Therefore, the unpaid share capital and the corresponding amount due from members, is not recognised in the financial statements.

	<b>Balance at 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers in/out</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£	£	£
<b>Unrestricted Funds</b>						
Charitable Activities	1,305,725	11,141,730	(10,298,350)	(793,162)	-	1,355,943
Education Library Service	8,144	536,343	(473,489)	(54,478)	-	16,520
Trading	103,770	38,101	(12,399)	-	-	129,472
Pension Reserve	(21,461,000)	-	(1,993,000)	-	22,920,000	(534,000)
	<b>(20,043,361)</b>	<b>11,716,174</b>	<b>(12,777,238)</b>	<b>(847,640)</b>	<b>22,920,000</b>	<b>967,935</b>
<b>Restricted Funds</b>						
Inspire Learning	1,537,932	6,955,941	(6,786,134)	(55,946)	-	1,651,793
Cultural Education Partnership	11,469	55,980	(56,061)	-	-	11,388
Arts Council - NPO	199,223	263,610	(351,538)	-	-	111,295
Music	367,115	2,019,712	(2,005,831)	(2,850)	-	378,146
The National Archives - New Burdens	158,488	457	-	-	-	158,945
Arts Council - I Am A Reader	17,353	7,393	(24,746)	-	-	-
Inspire Youth Arts	3,687	-	(3,687)	-	-	-
National Manuscripts Conservation Trust	-	4,500	-	-	-	4,500
NCC - Heritage	-	25,092	-	-	-	25,092
Takeover - Pathways into Work	-	131,000	(82,630)	-	-	48,370
Able Orchestra	-	82,500	-	-	-	82,500
Donations & Legacies	9,761	-	-	-	-	9,761
	<b>2,305,028</b>	<b>9,546,185</b>	<b>(9,310,627)</b>	<b>(58,796)</b>	<b>-</b>	<b>2,481,790</b>
<b>Restricted Fixed Asset Funds</b>						
Acquisition of fixed assets	2,490,576	-	(1,027,070)	906,436	-	2,369,942
	<b>4,795,604</b>	<b>9,546,185</b>	<b>(10,337,697)</b>	<b>847,640</b>	<b>-</b>	<b>4,851,732</b>
<b>Total Restricted Funds</b>						
	<b>4,795,604</b>	<b>9,546,185</b>	<b>(10,337,697)</b>	<b>847,640</b>	<b>-</b>	<b>4,851,732</b>
<b>Total Funds</b>	<b>(15,247,757)</b>	<b>21,262,359</b>	<b>(23,114,935)</b>	<b>-</b>	<b>22,920,000</b>	<b>5,819,667</b>

## 19) Summary of Funds

### Summary of Funds - Current Year

	<b>Balance at 1 April 2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers in/out</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2024</b>
	£	£	£	£	£	£
Unrestricted Funds	967,935	12,667,662	(11,914,072)	(776,220)	688,000	1,633,305
Restricted Funds	2,481,790	10,361,121	(10,078,677)	(304,188)	-	2,460,046
Restricted Fixed Asset Funds	2,369,942	-	(1,052,933)	1,080,408	-	2,397,417
	<b>5,819,667</b>	<b>23,028,783</b>	<b>(23,045,682)</b>	<b>-</b>	<b>688,000</b>	<b>6,490,768</b>

### Summary of Funds - Prior Year

	<b>Balance at 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers in/out</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£	£	£
Unrestricted Funds	(20,043,361)	11,716,174	(12,777,238)	(847,640)	22,920,000	967,935
Restricted Funds	2,305,028	9,546,185	(9,310,627)	(58,796)	-	2,481,790
Restricted Fixed Asset Funds	2,490,576	-	(1,027,070)	906,436	-	2,369,942
	<b>(15,247,757)</b>	<b>21,262,359</b>	<b>(23,114,935)</b>	<b>-</b>	<b>22,920,000</b>	<b>5,819,667</b>

## 20) Analysis of Net Assets between Funds

	<b>Unrestricted Funds 2024 £</b>	<b>Restricted Funds 2024 £</b>	<b>Restricted Fixed Asset Funds 2024 £</b>	<b>Total Funds 2024 £</b>
Tangible fixed assets	-	-	2,397,417	<b>2,397,417</b>
Current assets	3,569,596	3,849,782	-	<b>7,419,377</b>
Creditors due within one year	(1,860,192)	(1,464,737)	-	<b>(3,324,928)</b>
Creditors due > one year	(1,098)	-	-	<b>(1,098)</b>
Provisions for liabilities and charges	-	-	-	-
<b>Total</b>	<b>1,708,306</b>	<b>2,385,045</b>	<b>2,397,417</b>	<b>6,490,768</b>

### Analysis of net assets between funds - prior year

	<b>Unrestricted Funds 2023 £</b>	<b>Restricted Funds 2023 £</b>	<b>Restricted Fixed Asset Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Tangible fixed assets	-	-	2,369,942	<b>2,369,942</b>
Current assets	3,194,955	3,333,583	-	<b>6,528,538</b>
Creditors due within one year	(1,690,825)	(851,793)	-	<b>(2,542,618)</b>
Creditors due > one year	(2,195)	-	-	<b>(2,195)</b>
Provisions for liabilities and charges	(534,000)	-	-	<b>(534,000)</b>
<b>Total</b>	<b>967,935</b>	<b>2,481,790</b>	<b>2,369,942</b>	<b>5,819,667</b>

## 21) Reconciliation of net movement in funds to net cash flow from operating activities

	<b>2024 £</b>	<b>2023 £</b>
Net income/expenditure for the year (as per Statement of Financial Activities)	(16,899)	(1,852,576)
<b>Adjustments for:</b>		
Depreciation Charges	904,792	866,339
FRS 102 pension adjustment	154,000	1,993,000
Loss on the disposal of fixed assets	148,141	160,729
Decrease/(increase) in debtors	(2,123,257)	(699,720)
(Decrease)/increase in creditors	781,213	446,243
<b>Net cash used in/provided by operating activities</b>	<b>(152,010)</b>	<b>914,015</b>



## 22) Analysis of Cash and Cash Equivalents

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash in hand	<u>3,682,470</u>	<u>4,914,887</u>

## 23) Analysis of Changes in Net Debt

	<b>At 1 April 2023</b>	<b>Cashflows</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>4,914,887</u>	<u>(1,232,418)</u>	<u>3,682,470</u>

## 24) Pension Commitments

The Society's employees belong to three pension schemes: the People's Pension, a defined contribution scheme, and two defined benefit pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Nottinghamshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest full actuarial valuation of the TPS related to the period ended 31 March 2019 and of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £198,019 were payable to the Society's pension schemes at 31 March 2024 (22/23: £175,673) and are included within other creditors.

## **24) Pension Commitments (continued)**

### **Teachers' Pension Scheme**

#### **Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for Teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### **Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2019 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge;
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- An employer cost cap of 7.3% of pensionable pay will be applied to future valuations;
- The assumed real rate of return is 2% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from September 2019. The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate of 28.6%, arising from this valuation, is to be payable from 1 April 2024.

## 24) Pension Commitments (continued)

### Valuation of the Teachers' Pension Scheme continued

The employer's pension costs paid to TPS in the period amounted to £254,659 (22/23: £246,726).

A copy of the valuation report and supporting documentation is on the **Teachers' Pensions website**

([teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report---26\\_10\\_23-\(002\).ashx?rev=aba4c7a4288a480487ee087589a8eda6&hash=732241CC77819285E35B0F764486A6E0](https://teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report---26_10_23-(002).ashx?rev=aba4c7a4288a480487ee087589a8eda6&hash=732241CC77819285E35B0F764486A6E0))

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

### Local Government Pension Scheme

The Society participates within the Local Government Pension Scheme (LGPS), which is a multi-employer funded defined benefit plan of qualifying employees. The pension scheme assets are held in separate trustee administered funds to meet the long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interests of the fund's beneficiaries, which includes management of risks and appropriate investment of the scheme assets to generate returns. The appointment of trustees to the fund is determined by the scheme's governing documents and are completely independent from the Society.

The scheme exposes the Society to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk. The Society participates in the Grouped Admission Bodies pool with other employers in order to share experience of risks they are exposed to in the Fund. The last triennial actuarial valuation of the fund was performed by an independent actuary for the trustees of the scheme and was carried out as at 31 March 2022. The deficit for the whole pool was calculated and allocated to each employer in proportion to their value of liabilities. Each employer within the pool pays a contribution rate based on the cost of benefits of the combined membership of the pool. The Society's contribution rate was set at 19.4%. The duration of the Society's past service liabilities is estimated to be 24 years. The deficit position will be reviewed at the next triennial valuation.

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

	<b>At 31 March 2024</b>	<b>At 31 March 2023</b>
	%	%
Discount Rate	4.9	4.8
Future Salary Increases	3.9	3.9
Future Pension Increases	2.9	2.9

## 24) Pension Commitments (continued)

### Local Government Pension Scheme continued

A sensitivity analysis showing how the measurement of scheme liabilities would have been affected by changes in the relevant assumptions that were reasonably possible at the balance sheet date are as follows:

<b>Sensitivity Analysis</b>	<b>At 31 March 2024</b>	<b>At 31 March 2023</b>
	<b>£</b>	<b>£</b>
Discount rate +0.1%	39,135,000	37,906,000
Discount rate -0.1%	40,521,000	39,261,000
Long term salary increases +0.1%	39,910,000	38,667,000
Long term salary increases -0.1%	39,728,000	38,483,000
Future pension increases +0.1%	40,443,000	39,181,000
Future pension increases -0.1%	39,211,000	37,985,000

The Society's share of the assets in the scheme was:

	<b>At 31 March 2024</b>	<b>At 31 March 2023</b>
	<b>£</b>	<b>£</b>
Equities	25,131,000	22,172,000
Gilts	995,000	786,000
Other bonds	2,062,000	2,253,000
Property	4,418,000	4,515,000
Cash/Temporary investments	2,502,000	1,991,000
Other	6,449,000	6,324,000
<b>Total fair value of assets</b>	<b>41,557,000</b>	<b>38,041,000</b>

The actual return on scheme assets was a gain of £3,212,000 (22/23 - £805,000 loss).

## 24) Pension Commitments (continued)

### Local Government Pension Scheme continued

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Current Service Cost	1,113,000	2,370,000
Interest Cost	3,000	545,000
Administrative Expenses	19,000	16,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>1,135,000</b>	<b>2,931,000</b>

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	38,575,000	59,737,000
Current service cost	1,113,000	2,370,000
Contributions by scheme participants	314,000	331,000
Actuarial gains	(1,028,000)	(24,712,000)
Benefits paid	(991,000)	(699,000)
Interest cost	1,836,000	1,548,000
<b>Closing defined benefit obligation</b>	<b>39,819,000</b>	<b>38,575,000</b>

Movements in the fair value of the Society's share of scheme assets were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	38,041,000	38,276,000
Interest income	1,833,000	1,003,000
Actuarial gains/losses	1,398,000	(1,792,000)
Contributions by employer	981,000	938,000
Contributions by scheme participants	314,000	331,000
Benefits paid	(991,000)	(699,000)
Admin expenses	(19,000)	(16,000)
<b>Closing fair value of scheme assets</b>	<b>41,557,000</b>	<b>38,041,000</b>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	41,557,000	38,041,000
Defined benefit obligation	(39,819,000)	(38,575,000)
Changes in effect of the asset ceiling	(1,614,000)	-
Derecognition of the surplus	(124,000)	-
<b>Net pension scheme liability</b>	<b>-</b>	<b>(534,000)</b>

### **25) Operating Lease Commitments**

At 31 March 2024 Inspire had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	28,208	44,000
Later than 1 year and not later than 5 years	15,000	42,083
	<b><u>43,208</u></b>	<b><u>86,083</u></b>

### **26) Related Party Transactions**

Nottinghamshire County Council is a related party to the Society as two of its Councillors are also directors of the Society. During the year, amounts totalling £17,461,648 (22/23: £16,522,595) were received by the Society from Nottinghamshire County Council in relation to the provision of services. At the balance sheet date an amount of £2,034,220 (22/23: £551,428) was due from this party and is included within trade debtors. An amount of £307,240 (22/23: £74,996) is included within prepayments and accrued income for costs to be recharged to this party and income owing, but not yet invoiced at the year-end date.

Nottinghamshire County Council also recharged expenses during the year totalling £1,258,175 (22/23: £1,184,177). At the balance sheet date an amount of £124,152 (22/23: £27,407) was owing to this party and is included within trade creditors. At the balance sheet date, an amount of £1,029,084 (22/23: £65,299) is included within accruals and deferred income in respect of expenses incurred but not invoiced to the Society as at 31 March 2024, and income received which relates to the 24/25 financial year.



## 27) Surplus before Pension Adjustments

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Per Statement of Financial Activities for the year</b>		
Net income/expenditure before other recognised gains/losses	(16,899)	(1,852,576)
<b>Add back pension adjustments (see Note 23)</b>		
LGPS Service Cost	1,113,000	2,370,000
LGPS Net Interest Cost	3,000	545,000
Administrative Expenses	19,000	16,000
Contributions by Employer	(981,000)	(938,000)
	<u>154,000</u>	<u>1,993,000</u>
<b>Surplus before adjustments</b>	<b><u>137,101</u></b>	<b><u>140,424</u></b>

The surplus is made up of the following movements in funds in the year:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>	131,370	84,295
<i>Designated Funds - ELS</i>	2,660	-
<i>Unrestricted Funds</i>	128,710	-
<b>Restricted Funds</b>	(21,744)	176,762
<b>Restricted Fixed Asset Funds</b>	27,476	(120,635)
	<u><b>137,101</b></u>	<u><b>140,422</b></u>