

Company No: 08133965

INSPIRED TO ACHIEVE LIMITED

Annual Report and Financial Statements

Year Ended 31 March 2020

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INSPIRED TO ACHIEVE LIMITED

GENERAL INFORMATION

BOARD OF DIRECTORS

Simon Porter
Helen Lacey
Ailsa McGregor
Ralph Facey

COMPANY SECRETARY

Gemma Burton-Connolly

REGISTERED OFFICE

Yarlington
Lupin Way
Yeovil
Somerset
BA22 8WN

BANKERS

The Royal Bank of Scotland plc
2 Hendford
Yeovil
Somerset
BA20 1TN

AUDITOR

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

STRATEGIC REPORT

Organisational Overview

Inspired to Achieve Limited is registered at Companies House in accordance with the Companies Act and is limited by shares. The company is a subsidiary of Yarlington Housing Group, which in turn is a member of the Radian Group, with a registered head office in Eastleigh.

Business Model

The main activity of the Company is the provision of careers information, advice and guidance and employability services to young people and adults. Services are provided to the parent company and to external clients.

Performance Highlights

Turnover has decreased from £0.7m to £0.6m in 2019/20, driven by a reduction in consultancy income; turnover from the parent company has remained in line with the prior year at £0.2m. Operating margin is static at 9% year on year, with profit reducing in line with turnover.

Following the financial performance in the year, the Company has reverted to a positive net asset position at the reporting date.

Our Performance

We monitor our operations every month on a group-wide basis by a range of key performance indicators (KPIs), allowing us to assess our financial performance and position and the delivery of our corporate strategy during the year.

An appraisal of these KPIs is included in our Group statutory accounts, available on our website.

Principal Risks and Uncertainties

Within the Group, the principal risks and uncertainties, as identified by the Executive Board, are deemed to be those that would impact on the Group's ability to successfully deliver on the aims and objectives of its corporate strategy. An appraisal of these strategic risks is included in our Group statutory accounts.

Operational risks are those that the entities in the organisation face on a day to day basis, which are specific to the activities performed in each legal entity

Statement of Compliance

The strategic report was approved by the Board on 23 September 2020 and signed on its behalf by the Chair:



Simon Porter
Director

DIRECTORS' REPORT

The Directors present their report for the year ended 31 March 2020.

Board of Directors

The Directors of the Company are listed on page 1 and their remuneration is disclosed in note 6.

Dividends

The Directors do not recommend the payment of a dividend.

Governance and Regulation

The operations of the Company are subject to the governance and management structures in place across the Group, in common with all fellow subsidiaries.

An overview of the approach to governance and regulatory compliance, as determined by the Group Combined Board, is included in our Group statutory accounts.

Employees

The Company had an average of 14 (2019: 14) employees during the year, who were employed via Yarlington Housing Group, the intermediate parent company.

Post Balance Sheet Events

There have been no events since the reporting date that the Board considers having had a significant effect on the Company's financial position.

Going Concern

The appropriateness of preparing the accounts of the entity on a going concern basis is intrinsically linked to the going concern of the Group as a whole, due to the role the entity plays in the wider context of the Group.

The length of the Covid-19 pandemic and the measures taken by the Government to contain this are outside of our control and increases uncertainty when planning for the future.

In response, the Executive Board identified numerous indicators which formed part of weekly dashboards to monitor the impact on our financial performance and position, as well as our stakeholders.

The organisation extended its usual stress testing, considering a range of macro-economic factors, to include areas particularly impacted by Covid-19. From a financial perspective, the impact on tenant arrears and on property sales were of a particular focus in the short term, whilst the longer-term impact of restrictions to development activity and repair and maintenance work and associated recovery plans was considered in significant detail.

During the first quarter of 2020/21, the budget for the year which was prepared during 2019/20, before the outbreak of Covid-19, was also revised to encompass the known impact on the organisation to date and reflect agreed recovery plans.

DIRECTORS' REPORT (continued)

Going Concern (continued)

Given the strength of the balance sheet and availability and liquidity of undrawn loan facilities, the board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Group's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Disclosure of Information to Auditor

At the date when this report is approved each of the Board Members confirm the following:

- So far as each Board Member is aware, there is no relevant audit information needed by the Company's auditor in connection with preparing their report, of which the Company's auditor is unaware; and
- Each Board Member has taken all the steps that they ought to have taken as a Board Member to make themselves aware of any relevant audit information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

External Auditor

On 7 February 2020 PricewaterhouseCoopers LLP resigned as auditor of the company, being replaced by BDO LLP, the existing auditors of the Radian Group.

BDO LLP has indicated their willingness to continue in office and a resolution to appoint them will be proposed at the forthcoming annual general meeting.

Approval of the Board

The Directors' Report was approved by the Board on 23 September 2020 and signed on its behalf by the Chair:

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

Simon Porter
Director

STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSPIRED TO ACHIEVE LIMITED

Opinion

We have audited the financial statements of Inspired to Achieve Limited (the "Company") for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and notes to the financial statements, 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 Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The board members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The board members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The board members are responsible for the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSPIRED TO ACHIEVE LIMITED
(continued)

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the board responsibilities statement set out on page 5, the board 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 board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board members are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board members either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSPIRED TO ACHIEVE LIMITED
(continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, United Kingdom

2 October 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Turnover	3	627	707
Cost of sales		(425)	(342)
Operating costs		(147)	(303)
Operating profit		<u>55</u>	<u>62</u>
Finance income		1	0
Profit on ordinary activities before tax	4	<u>56</u>	<u>62</u>
Tax charge for the year	5	-	-
Profit on ordinary activities after tax		<u>56</u>	<u>62</u>

All activities derive from continuing operations.

The notes on pages 12 to 16 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 March 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Intangible Assets		0	1
		<u>0</u>	<u>1</u>
Current assets			
Receivables	8	104	110
Cash and cash equivalents		46	0
		<u>150</u>	<u>110</u>
Payables: amounts due within one year	9	(104)	(121)
Net current assets		<u>46</u>	<u>(11)</u>
Total assets less current liabilities		<u>46</u>	<u>(10)</u>
Net assets		<u>46</u>	<u>(10)</u>
Capital and reserves			
Share capital	10	0	0
Revenue reserve		46	(10)
		<u>46</u>	<u>(10)</u>

The notes on pages 12 to 16 form part of these financial statements.

The financial statements of Inspired to Achieve Limited, registered number 08133965, on pages 9 to 16 were approved by the Board of Directors and authorised for issue on 23 September 2020 and signed on its behalf by:



Simon Porter
Director

STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Revenue reserve £'000	Total £'000
At 1 April 2018	0	(72)	(72)
Profit on ordinary activities after tax	-	62	62
At 31 March 2019	0	(10)	(10)
Profit on ordinary activities after tax	-	56	56
At 31 March 2020	0	46	46

The notes on pages 12 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. LEGAL STATUS

The Company is a private limited company incorporated in the United Kingdom under the Companies Act 2006.

2. ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Company have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102). The financial statements are presented in pounds sterling and have been prepared on the historical cost basis.

Going Concern

The appropriateness of preparing the accounts of the entity on a going concern basis is intrinsically linked to the going concern of the Group as a whole, due to the role the entity plays in the wider context of the Group.

The length of the Covid-19 pandemic and the measures taken by the Government to contain this are outside of our control and increases uncertainty when planning for the future.

In response, the Executive Board identified numerous indicators which formed part of weekly dashboards to monitor the impact on our financial performance and position, as well as our stakeholders.

The organisation extended its usual stress testing, considering a range of macro-economic factors, to include areas particularly impacted by Covid-19. From a financial perspective, the impact on tenant arrears and on property sales were of a particular focus in the short term, whilst the longer-term impact of restrictions to development activity and repair and maintenance work and associated recovery plans was considered in significant detail.

During the first quarter of 2020/21, the budget for the year which was prepared during 2019/20, before the outbreak of Covid-19, was also revised to encompass the known impact on the organisation to date and reflect agreed recovery plans.

Given the strength of the balance sheet and availability and liquidity of undrawn loan facilities, the board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Group's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Disclosure Exemptions

In preparing the financial statements of the Company, advantage has been taken of the disclosure exemption under FRS 102 paragraph 1.12(b) in not preparing a Statement of Cash Flows on the basis that this is included in the consolidated financial statements.

2. ACCOUNTING POLICIES (continued)

Related Parties

As a subsidiary of its parent, Radian Group Limited, whose results and balances are included in the consolidated financial statements, the Company has not disclosed all transactions and balances with entities which form part of the Group.

Turnover

Turnover from the provision of services is recognised at the point of delivery. Where services are provided over a period of time, income is accrued or deferred with balances held on the Statement of Financial Position.

Value Added Tax (VAT)

The Company is part of the Yarlington Housing Group VAT group. As a large proportion of its income is rent, which is exempt for VAT purposes, the Group is subject to a partial exemption calculation.

Expenditure is therefore shown inclusive of VAT and the input VAT recovered is credited to the Statement of Comprehensive Income.

Tax

Current tax is recognised for tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits, and short-term investments with an original maturity date of three months or less.

Receivables and Payables

Receivables and payables with no stated interest rate, and receivable and payable within one year, are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income within operating income and expense.

Financial Instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are classified according to their substance.

3. TURNOVER

The Company operates solely within, and therefore all revenue is generated from, operations in the United Kingdom.

	2020 £'000	2019 £'000
Employment and training advice	529	663
Educational support services	98	44
	<u>627</u>	<u>707</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

Profit on ordinary activities before taxation is stated after charging:

	2020 £'000	2019 £'000
Fees payable to the Company's auditor for: Audit of the annual financial statements (excluding VAT)	<u>4</u>	<u>4</u>

The audit fees for the Company have been borne by Yarlington Housing Group

5. TAX

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 19%. The differences are explained as follows:

	2020 £'000	2019 £'000
Total tax reconciliation		
Profit on ordinary activities before tax	56	62
Tax on loss on ordinary activities at 19%	11	12
Effects of		
Expenses not deductible for tax purposes	0	-
Group relief claimed	(2)	(12)
Gift Aid Payment	(9)	-
Total tax charge	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (continued)

6. DIRECTORS' EMOLUMENTS

The directors of the Company are defined as the board members and the Executive Board. The directors are remunerated by The Swaythling Housing Society Limited and Yarlinton Housing Group. It is not possible to disaggregate their remuneration in respect of services performed on behalf of the constituent Group entities.

Below are shown the aggregate emoluments (including pensions and benefits in kind, excluding compensation for loss of office) paid by the Company to:

	2020 £'000	2019 £'000
Board Members	-	10

The directors of Inspired to Achieve Limited, including details of the other roles they perform on behalf of the constituent Group entities at 31 March 2020 are shown below:

Name	Appointed	Resigned	Annual Fee	Committees				
				ARC	TIC	PACC	DAC	ITC
Michael Stancombe	11/09/2018	04/11/2019	7,000					
Sam Leigh	11/07/2017	04/11/2019	N/A					
Simon Porter (C)	04/11/2019		13,000	M	M			
Helen Lacey	17/11/2015		3,000					
Ailsa McGregor	01/01/2019		3,000					
Gemma Burton-Connolly	02/10/2014		N/A					
Ralph Facey	04/11/2019		N/A					M

C: Chair, M: Member, Italics: Executive Board member

Committees: ARC – Audit and Risk, TIC – Treasury and Investment, PACC – People and Culture, DAC – Development and Assets, ITC – Integration and Technology

7. STAFF COSTS

The Company had 14 employees in the year (2019: 14).

	2020 £'000	2019 £'000
Staff costs (for the above employees)		
Wages and salaries	343	271
Social security costs	30	24
Pension costs	22	17
	<u>395</u>	<u>312</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (continued)

8. RECEIVABLES

	2020 £'000	2019 £'000
Trade Receivables	58	-
Amounts due from Group undertakings	39	50
Other Receivables and Prepayments	4	60
	<u>101</u>	<u>110</u>

9. PAYABLES: AMOUNTS DUE WITHIN ONE YEAR

	2020 £'000	2019 £'000
Other tax and social security payable	19	-
Trade payables	31	22
Deferred income	40	80
Accruals	12	19
Amounts owed to Group undertakings	2	-
	<u>104</u>	<u>121</u>

10. SHARE CAPITAL

	2020 £	2019 £
Shares issued and fully paid at 1 April	1	1
Shares issued and fully paid at 31 March	<u>1</u>	<u>1</u>

11. RELATED PARTY TRANSACTIONS

The Company, a subsidiary of Radian Group Limited, has taken advantage of the exemption contained in FRS 102 paragraph 33.1A not to disclose transactions or balances with entities which are wholly owned by the Group.

There were no other related party transactions during the period or balances at the reporting date.

12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

At 31 March 2020 the Company's ultimate parent and ultimate controlling party was Radian Group Limited, a company limited by guarantee and incorporated in England.

Radian Group Limited is a registered provider and is the parent of both the largest and smallest group into which the Company is consolidated.

Group financial statements can be obtained from Radian Group Limited, Collins House, Bishopstoke Road, Eastleigh, Hampshire, SO50 6AD.