

POSITIVE STEPS

SUPPORT | CHALLENGE | CHANGE

Registered Number: 02563094

Charity Number: 288125

POSITIVE STEPS

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

POSITIVE STEPS

TABLE OF CONTENTS

	Page
Charity Information	1
Structure, Governance and Management	3
Objectives and Activities	4
Achievements and Performance	7
Financial Review	10
Plans for the Future	11
Principal Risks and Uncertainties	13
Statement to the Auditors	14
Independent Auditors Report	15
Statement of Financial Activities	19
Balance Sheet	20
Cashflow Statement	21
Notes to Financial Statements	22

CHARITY INFORMATION

The trustees/directors of Positive Steps Oldham (referred to as Positive Steps [PS] (the trading name), for the remainder of this report) present their fourteenth Annual Report together with the financial statements. Included in this report is the directors report for the purposes of company law. The directors or members of the board of the charitable company (the charity) are its trustees for the purpose of charity law. This report collectively refers to them as the 'trustees'.

Charity number:

1017247

Company number:

2563094

Chief Executive:

Paul Axon

Registered Office:

Medtia Place, 80 Union Street, Oldham, Lancashire, OL1 1DJ

Auditors:

Third Sector Accountancy Limited, Holyoake House, Hanover Street,
Manchester, Greater Manchester, M60 0AS

Bankers:

Barclays Bank plc. 51 Mosley Street, Lancashire. M2 2HQ

Solicitors:

After Athena, Greenbank Court, Challenge Way, Greenbank Business Park, Blackburn, BB1 5QB

Key Management Personnel:

Paul Axon	Chief Executive
Donna Marshall	Director of Education & Guidance Services
TBC	Director of Family, Community and Justice Services
Robert Edden	Director of Corporate Services & Company Secretary, Company Secretary

Trustees	Representing	Comment
Mrs Joanne Marie Forsdike (Chair as of 1 st April 2023)	Independent	
Ms Hannah Jane Roberts	Independent	
Mr Vinesh Mistry	Independent	
Ms Mezreet Rasul	Independent	
Mrs Nicola Jane Robinson	Independent	
Cllr Diane Tracey Williamson	Oldham Council	Resigned 4 th May 2023 Appointed 20 th August 2024
Cllr Graham Shuttleworth	Oldham Council	Resigned 4 th May 2023
Cllr Rosalynne Katya Birch	Oldham Council	Resigned 4 th May 2023
Hayley Harewood	Independent	Appointed 17 th November 2023
Holly Louise Harrison	Oldham Council	Appointed 12 th October 2023
Dr Shaid Mushtaq	Oldham Council	Resigned 20 th August 2024
Umar Nasheen	Oldham Council	
Mohon Ali	Oldham Council	Appointed 4 th July 2023 Resigned 13 th September 2023
Patrice Ann Byrne	Oldham Council	Appointed 4 th July 2023 Resigned 22 nd May 2024
Cllr Mohammed Islam	Oldham Council	Appointed 20 th August 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Positive Steps Oldham is a company limited by guarantee governed by its Memorandum and Articles of Association. It was redrafted and adopted by a special resolution on 27th September 2016, having previously been amended between August 2005 and November 2006. It is registered as a charity with the Charity Commission. Members are drawn from Oldham's public sector, private business sector, education and training sector, and voluntary sector communities, each agreeing to contribute £1 in the event of the charity winding up.

Appointment of trustees

The Memorandum and Articles of Association state that the Board of Trustees should consist of a minimum of eight members: four elected members of Oldham Council, the remaining from statutory partners (e.g., education, health, crime and disorder), and/or "community" representatives from private business, training, the voluntary sector, and/or independent individuals with an interest in furthering the objects of the Charity.

Trustees induction and training

A formal induction process for trustees is in place and informal seminars, held as part of Board meetings covering key activities, delivered by service managers supplement this. Guidance Notes are issued to all trustees, informing them of their rights and responsibilities.

Organisation

The board delegates the company's day-to-day operations to the Chief Executive, who is assisted by Directors and several senior managers responsible for operational delivery. It should be noted that these post-holders are not Board members.

Related parties

Close working relationships exist between the Charity and local authorities and a range of other local public, private, and third-sector organisations, which have proved invaluable to the charity in establishing improved links within the community and identifying relevant policy developments and prospective funding.

Subsidiaries

During the 2023 - 24 financial year, Positive Steps had a subsidiary company:

PSO Trading Limited was incorporated on 2nd June 2005 and commenced trading on 31 October 2005. As of 1st April 2023, PSO Trading Limited ceased trading and became dormant. The trustees deemed that the activity level and the work's nature did not warrant a separate subsidiary.

Remuneration of key management personnel

Our pay policy aims to offer fair pay to attract and keep appropriately qualified staff to lead, manage, support and deliver the charity's aims. Trustees are ultimately responsible for setting remuneration levels for the key management personnel. Pay for other staff is determined by a Job Evaluation Scheme with a cost-of-living award agreed by the Trustees annually. Positive Steps is an accredited Real Living Wage body, and this will override the Job Evaluation grades, where applicable.

OBJECTIVES AND ACTIVITIES

As an independent sector organisation, Positive Steps is unique in England, providing a range of integrated and targeted support services for young people. The trustees are mindful of the Charity Commission's Guidance on public benefit. Its charitable objects are:

- To advance the education and training of young people to prepare them for working and adult life.
- The relief of unemployment for the public benefit in ways that may be thought fit, including assistance to find employment.
- The provision of recreational facilities for young people in the interests of social welfare.
- The promotion of public safety.
- The prevention of crime and the rehabilitation of young offenders.
- Advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals.
- The relief of sickness and the preservation of health among people residing permanently or temporarily in locations where the company is commissioned to deliver services.
- The provision of support and activities that develop their skills, capacities, and capabilities enable them to participate in society as independent, mature, and responsible individuals.
- To assist in the treatment and care of persons suffering mental or physical illness arising from substance abuse or in need of rehabilitation as a result of such illness.

During the year, the most significant contract continues to be with Oldham MBC, who contract with us to deliver a range of integrated and targeted services for young people, adults and families, mainly in the Borough of Oldham. We have continued to deliver Career Guidance services in both Rochdale and Tameside. Our work has been supported by a range of other local, regional and national funding, resulting in the following delivery model:

Education and Guidance

Oldham, Rochdale and Tameside local authorities commission information, advice and guidance (IAG) with young people who are at risk of becoming Not in Education, Employment or Training (NEET) and those in target groups, such as those in the care of the local authority, those involved with the criminal justice system, those with special educational needs or disabilities and teenage parents. Allied to that, we have contracts with over 50 schools and colleges to provide IAG for non-targeted students.

'Empower Oldham' and 'Engaging Rochdale' are new projects funded by the UK Shared Prosperity Fund (UKSPF) to connect with young people currently NEET. The tailored provision will include mentoring, well-being support, and practical solutions to build confidence, resilience, and motivation. Support will be creative and focus on removing barriers and learning new skills, helping young people on their journey towards learning and employment.

Our Positive Futures programme collaborates with schools, identifying young people becoming detached from mainstream education. It provides a blended offer to reintegrate them fully into school life. We can also support those year 11 students who are work-ready for long-term work placements to enhance their future opportunities further.

Family, Community and Justice Services

Early Intervention and Prevention (EIP)

The largest element of this Directorate is EIP, an Oldham-wide strategy to support individuals and families of all ages in staying in control of their lives by effectively managing issues that may be affecting them and preventing escalation to crisis services.

The Positive Steps service consists of staff and many more volunteers who support families in their homes and within District Hubs. Assessment and support can be offered for issues such as emotional wellbeing, financial difficulties, housing, relationship difficulties and behaviour management. The service works closely in partnership with Oldham Council alongside other voluntary sector partners to deliver a holistic offer.

Youth Justice and Prevention

This work focuses on clients with the most complex needs, including young people who are missing from home and at risk of child sexual exploitation and young people at risk of or involved in offending behaviour. The services are delivered in partnership with other statutory and voluntary sector organisations in Oldham. Positive Steps is actively involved in both strategic work and in the operational delivery of services for these clients. The services are provided in a holistic way with support offered to whole families in order to assess and support around systemic issues that may be influencing problematic behaviours. Positive Steps is unique as a third sector organisation delivering the statutory Youth Justice Service in Oldham.

Family and community programmes

The directorate delivers several other services:

- Young Carers Service for Oldham—Supporting young people who have a caring responsibility at home, this service identifies and engages vulnerable young people and their families to help them develop social confidence and increase their opportunities to engage fully with peers and their community.
- Missing From Home - Ensures that young people, who go missing are independently interviewed within 72 hours of notification. Young people are listened to carefully and safety plans developed to help eliminate the risks of going missing alongside strategies to steer them on a brighter path.

Corporate Services

The Directorate has a key role within the business, providing corporate support and developing trading opportunities.

Organisational Support

This service includes appropriately skilled and experienced staff who provide advice, support, and guidance on business intelligence, ICT, information governance, finance, human resources, and quality.

Service Delivery Support

This service provides day-to-day support for operational service delivery. This includes Administrative Support, Communications & Marketing, Facilities, and “Front of house”.

In addition, a volunteer support service is delivered. Volunteers are integral to Positive Steps as a whole, and we have successfully developed roles for volunteers and recruited and trained volunteers to work in all areas of the business. We strive to offer high-quality and meaningful volunteering opportunities, an excellent training package, and various opportunities, including paid work.

We support schools through traded services, organising work experience placements, sector visits, mock interviews and employer encounters.

We operate an in-house bicycle project, Positive Cycles. Based on donated bicycles, the project involves young people and adults developing bicycle maintenance and renovation skills. The renovated bicycles are then gifted to clients or sold at our low-cost retail outlet.

ACHIEVEMENTS AND PERFORMANCE

Work within the charity this year has seen Positive Steps achieve accreditation for ISO 27001 and ISO 9001, recognising that we maintain an Information Security Management System (ISMS) and have quality assurance built into all our processes.

Our people are essential to all we achieve, and we have been recognised by Investors In People.

Positive Steps has a long history of hitting and exceeding targets; the past year has been no exception. From April 2023 to March 2024, we delivered a comprehensive, integrated range of services that helped young people, adults, and families reach their full potential. Our approach has been understanding and breaking down individuals' barriers to reaching their goals.

Youth Justice Service

The rate of re-offending: (A lag on reporting as time needs to lapse)		To Jun 22	To Jun 21
	Oldham	20.00%	25.9%
	Greater Manchester	31.30%	33.4%
	The North West	35.60%	26.4%
	England	33.20%	33.8%
	Comparators	30.10%	31.6%
Custody rate (Per 1,000) for age 10 - 17		0.03	0.15

	23/24	22/23
Early Intervention and prevention		
Families referred to the service	930	867
Individuals referred to the service	3440	3007
Under 18's referred to the service	1253	1825
Adult only referrals	184	203

Careers Guidance and Support

Participation rates achieved			
	Oldham	96.3%	95.6%
	Rochdale	96.1%	95.6%
	Tameside	95.5%	95.1%

Young Carers

Registered with the service	711	665
Progressed into learning after Year 11	86.2%	78.7%

Missing From Home

Reported cases	1444	1607
Interviewed with 72 hours	82.13%	86.25%

Volunteering

hours of support to the people accessing our service areas	4326	4491
------------------------------------------------------------	------	------

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23/24 **22/23**

Early Intervention and prevention

(restated)

Families referred to the service	930	1452
Individuals referred to the service	3440	5467
Under 18's referred to the service	1253	3438
Adult only referrals	184	127

Careers Guidance and Support

Participation rates achieved

Oldham	96.3%	95.6%
Rochdale	96.1%	95.6%
Tameside	95.5%	95.1%

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FINANCIAL REVIEW

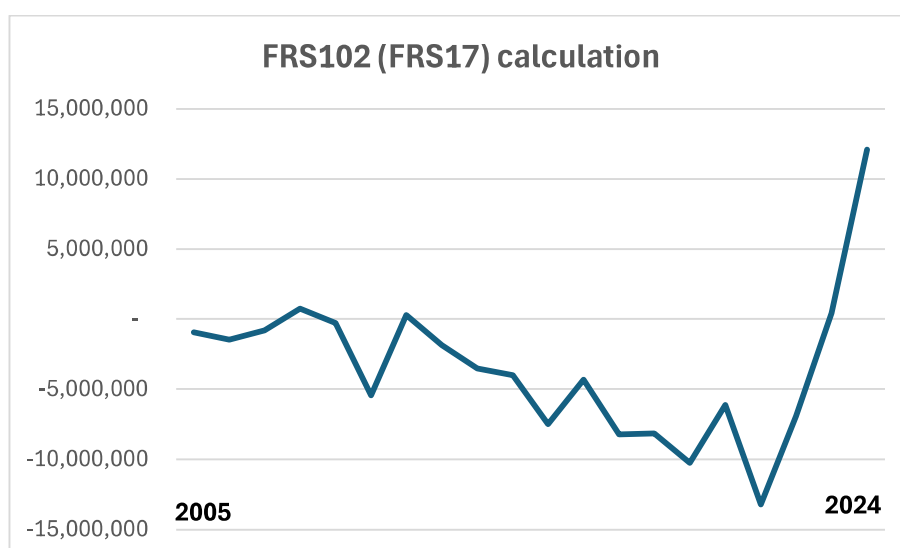
The Positive Steps Oldham Charity accounts for 2023 - 24 show overall income increasing from £6,212,000 in 2022-23 to £6,345,000, a 2.1% increase this year.

The accounts show an operating surplus of £64,590. However, the FRS102 Pension Scheme adjustment of £44,000, results in a reported surplus of £108,590 for the year.

The figures presented in the GM Pension Fund's actuarial report are prepared only for FRS102 and have no validity in other circumstances. "In particular, they are not relevant for calculations undertaken for funding purposes". The methodology of the Accounting Standard, in conjunction with the Fund's investment strategy, means that the surplus or deficit identified in the report can vary significantly over short periods of time." It is essential to realise that the actual cost of the pension fund (i.e. how much money it will ultimately have to pay out to its members in the form of benefits) is unknown. This cost will not be known with certainty until the last benefit is paid to the last pensioner. This valuation aims to estimate the cost so that the Fund can develop a funding strategy to meet it.

The pension asset and liability have featured in financial reports and statements since 2005 and, following reassessment by the Greater Manchester Pension Scheme's independent actuary, improved from a surplus of £420,000 at 31 March 2023 to a surplus of £12,096,00 at 31 March 2024. The FRS102 (FRS 17) calculations have continued to oscillate year on year, with the following surpluses and deficits noted since the FRS102 (FRS 17) requirements were introduced in 2004-2005.

This surplus is not recognised in accordance with FRS102 (paragraph 28.22). It states that a surplus should be recognised as a defined plan asset only to the extent that it can be recovered. A valuation of the future service contributions that Positive Steps will have to make exceeds the current asset, reducing the reported surplus to nil.



Further disclosures relating to the pension fund are given in note 27 to the accounts.

On reviewing the Balance Sheet, the net assets, excluding pension liability, have increased from £2,589,840 to £2,698,432

Investment Powers and Policy

Under the Memorandum and Articles of Association, the Company has the power to invest in any way the trustees wish.

The trustees, considering the liquidity requirements of operating the company's business and the Reserves Policy, have, where possible, kept available cash funds in an interest-bearing deposit account and seek to achieve a rate of interest that matches or exceeds inflation measured by the retail price index.

Reserves Policy

In March 2023, the trustees approved the following Reserves Policy:

Reserves should be regarded as realisable “cash assets”, namely, funds in the bank and the difference between money owed to creditors and money owed by debtors.

Fixed assets would not be included.

Three elements were identified:

Building and Capital Asset Reserve – A ready source of funds for repairing or acquiring buildings, leaseholds, furniture, fixtures, and equipment necessary to effectively operate the organisation and programs.

Opportunity Reserve— A source of internal funds for organisational capacity building such as staff development, research and development, or investment in infrastructure to build long-term capacity.

Operating Reserve – an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Operating Reserve is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

The set-aside values for these reserves as of 31st March 2024 were:

Building and Capital Asset Reserve	£250,000
Opportunity Reserve	£100,000
Operating Reserve	<u>£900,000</u>
	£1,250,000

PLANS FOR FUTURE PERIOD

Strategic Plan

The new strategic plan for 2025 – 2028, is currently being developed in consultation with all stakeholders.

Contracting/Funding activity

Positive Steps continues to work with Oldham, Rochdale and Tameside local authorities, with contract periods of various lengths and extensions. There are no guarantees that PS will

automatically be awarded new contracts as they crystallise; however, we continue developing the services and enhancing each authority's proposition.

Young People's Support and Guidance Services:

Local Authority	Contract end date	Expectation
Tameside	9 th December 2024	Not renewed
Rochdale	31 st March 2025	Tendering for renewal
Oldham	31 st March 2025	Tendering for renewal

The Connect to Your Future project, funded by European Social Funding, continued until September 2023. It has then received continued funding through the UK Shared Prosperity Fund and is received at a minimum until March 2025.

We will be looking to expand our range of commissioned services into existing and new areas during 2024/25. The initial development is alternative provision education through two projects: creating a second site in Rochdale, opening in January 2025, and partnering with Kingsland High School for a two-year project.

Furthermore, we will continue to bid for specific funding opportunities from the Home Office, Children in Need, Community Safety and other funders.

Our trading arm, Positive Steps Trading, has ceased and remained dormant since 1st April 2023.

Further Ways of Working

We have continued our hybrid working model. All staff are enabled to work remotely and have been equipped with laptops, mobile phones, and peripherals.

Working practices are being reviewed to meet the demands of hybrid working and improve efficiency. In 2024/25, the continuing reduction of paper-based processes and development of more ICT-based processes are planned, including developing and launching a new "digital front door" and cloud-based telephone system integrated with our Microsoft offer.

Our "state of the art" Oldham HQ offices have attracted a range of partners to co-locate with us and we continually develop the integrated offer.

Environmental Responsibility

Positive Steps takes its environmental responsibility seriously. It offers schemes for recycling waste, unwanted furniture, and redundant ICT equipment, as well as actions to reduce energy usage and ethical procurement. Our staff are offered schemes to improve their carbon footprint, including Cycle to Work and access to electrical car charging at Media Place.

In April 2020 we adopted our Environmental Policy that contains 12 objectives that focus our commitment to environmental sustainability. This policy is currently being reviewed to ensure that the objectives remain both relevant and a challenge.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees and Senior Managers remained mindful of the significant risks, both internal and external, facing the organisation and where appropriate, systems or procedures have been established to mitigate those risks.

External risks to funding have led to developing a strategy to continue diversifying activities and seek to diversify business within the subregion.

Internally, implementing procedures for authorising all financial transactions minimised internal control risks. The ISO 9001 and ISO 27001 further enhanced the security of our data and the quality of all our internal procedures. External legal advice supports contract negotiation with funding bodies. Detailed procedures and protocols supported grievance and disciplinary processes again underpinned by specialist external legal advice.

In particular, robust HR systems and processes have minimised employee relations risk and helped to create a more flexible and generic employee base, which has minimised economic dismissals by enabling movement into other posts created due to new project demands. The Strategic Group implemented a whole organisation job evaluation review in June 2023 to ensure fairness and a competitive offer.

The Company continued to operate a 'safe recruitment' policy in line with Local Safeguarding Children Board standards. All posts undertaking regulated activity for the organisation were subject to an Enhanced DBS disclosure at the point of recruitment and reviewed every three years.

Other procedures ensured compliance with health and safety regulations for staff, volunteers, clients, and visitors, and full insurance coverage was maintained for public and employer liability.

The company recognises Unison as its trade union. Any proposed changes to terms and conditions of employment, including job evaluation or other workplace issues, were subject to full consultation.

All finance, human resources, IT, and professional practice procedures were constantly reviewed in light of changes in legal requirements and improvements in professional standards.

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity's trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's and group's incoming resources and applications of resources during the year and of its state of affairs at the end of the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP,
- make judgements and 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 financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

The trustees of the company who held office at the date of approval of this annual report confirm that:

- so far as they are aware, there is no relevant audit information, information needed by the charitable company's auditor in connection with preparing their report, of which the charitable company's auditor is unaware, and
- they have taken all the steps they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of the information.

The trustees confirm that the financial statements comply with current statutory requirements, the company's memorandum and articles of association requirements and the Charities SORP requirements (FRS 102).

AUDITORS

The auditors, Third Sector Accountancy Ltd, will be proposed for re-appointment in accordance with Section 487 (2) of the Companies Act 2006.

This report, which incorporates the Directors report was approved by the board on 26th November 2024 and signed on its behalf by :



Joanne Forsdike

Trustee/Director

Independent auditor's report to the members of Positive Steps Oldham

Opinion

We have audited the financial statements of Positive Steps Oldham (the 'parent charitable company') and its subsidiary ('the group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows 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 group's and parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors 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 trustees' report, other than the financial statements and our auditor's report thereon. The trustees 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 Positive Steps Oldham

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 trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's report to the members of Positive Steps Oldham

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the group and environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to pension legislation, tax legislation, employment legislation, health and safety legislation, and other legislation specific to the industry in which the group operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the reporting requirements under the Charities SORP and FRS102, and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to:

- Posting manual journal entries to manipulate financial performance, including the treatment of deferred income being inconsistent with FRS102 SORP income recognition; and
- Management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

Compliance with laws and regulations:

- Discussions with management including consideration of known or suspected instances of non-compliance with relevant laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Review minutes of meetings for issues relating to non-compliance;
- Reviewing both the design and implementation of key policies, including safeguarding.
- Review of correspondence with the regulators and with legal advisors;

Material Fraud in the financial statements:

- Making enquiries of management and those charged with governance on whether they had any knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;

Independent auditor's report to the members of Positive Steps Oldham

Capability of the audit in detecting irregularities, including fraud (Continued)

- Addressing the risks of fraud through management override of controls by performing journal entry testing; and
- Challenging assumptions and judgments made by management, including reviewing management's recognition of income in line with FRS102 SORP, use of depreciation policies and the defined benefit pension liability and associated disclosures;

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of the audit report

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

Patrick Morrello ACA (Senior Statutory Auditor)
For and on behalf of Third Sector Accountancy Limited, Statutory Auditor
Holyoake House
Hanover Street
Manchester
M60 0AS



Date 06 / 12 / 2024

Positive Steps Oldham

Consolidated Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2024

Note	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Unrestricted funds £	Restricted funds £	Total funds 2023 £
Income from:						
Donations and legacies	176,975	-	176,975	180,841	-	180,841
Charitable activities	5,561,543	376,663	5,938,206	5,463,538	354,637	5,818,175
Other trading activities	74,819	-	74,819	92,664	-	92,664
Investments	155,451	-	155,451	120,292	-	120,292
Total income	5,968,788	376,663	6,345,451	5,857,335	354,637	6,211,972
Expenditure on:						
Raising funds	-	-	-	323,070	-	323,070
Charitable activities	5,893,508	387,353	6,280,861	5,706,956	406,078	6,113,034
Total expenditure	5,893,508	387,353	6,280,861	6,030,026	406,078	6,436,104
Net income/(expenditure)	75,280	(10,690)	64,590	(172,691)	(51,441)	(224,132)
Transfer between funds	-	-	-			
Remeasurement gain/(loss) on defined benefit pension plan	44,000	-	44,000	7,566,000	-	7,566,000
Net movement in funds	119,280	(10,690)	108,590	7,393,309	(51,441)	7,341,868
Reconciliation of funds						
Total funds brought forward	2,577,166	12,673	2,589,839	(4,816,143)	64,114	(4,752,029)
Total funds carried forward	2,696,446	1,983	2,698,429	2,577,166	12,673	2,589,839

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Positive Steps Oldham
Company number 2563094

Balance Sheets
as at 31 March 2024

	Note	The Group		The Charity	
		2024 £	2023 £	2024 £	2023 £
Fixed assets					
Tangible assets	15	598,025	757,227	598,025	757,227
Investments	17	-	-	1	1
Total fixed assets		598,025	757,227	598,026	757,228
Current assets					
Debtors	20	1,295,815	1,108,183	1,295,815	1,108,183
Cash at bank and in hand		1,790,014	1,526,772	1,790,013	1,526,771
Total current assets		3,085,829	2,634,955	3,085,828	2,634,954
Liabilities					
Creditors: amounts falling due in less than one year	21	(985,424)	(802,343)	(985,424)	(802,343)
Net current assets		2,100,405	1,832,612	2,100,404	1,832,611
Total assets less current liabilities		2,698,430	2,589,839	2,698,430	2,589,839
Net assets excluding pension liability		2,698,430	2,589,839	2,698,430	2,589,839
Defined benefit pension scheme asset/ (liability)	27	-	-	-	-
Net assets/ (liabilities)		2,698,430	2,589,839	2,698,430	2,589,839
Funds of the charity:					
Restricted income funds	22	1,983	12,673	1,983	12,673
Unrestricted income funds:					
General	23	2,526,447	2,577,166	2,526,447	2,577,166
Pension reserve	23	-	-	-	-
Designated fund	23	170,000	-	170,000	-
Total charity funds/ (deficit)		2,698,430	2,589,839	2,698,430	2,589,839


These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 24 to 50 form part of these accounts.

Approved by the trustees on


Joanne Forsdike (Trustee)


Hannah Roberts (Trustee)

and signed on their behalf by:

Robert Edden (Secretary)

Positive Steps Oldham

Consolidated Statement of Cash Flows for the year ending 31 March 2024

	Note	2024 £	2023 £
Cash provided by/(used in) operating activities	26	143,386	134,494
<hr/>			
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		155,451	120,292
Purchase of tangible fixed assets		(35,595)	(174,856)
<hr/>			
Cash provided by/(used in) investing activities		119,856	(54,564)
<hr/>			
Increase/(decrease) in cash and cash equivalents in the year		263,242	79,930
Cash and cash equivalents at the beginning of the year		1,526,772	1,446,842
<hr/>			
Total cash equivalents at the end of the year		1,790,014	1,526,772
<hr/> <hr/>			

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2024

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Positive Steps Oldham meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Group financial statements

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary PSO Trading Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure account are not presented for the charity itself following exemptions afforded by section 408 of the Companies Act 2006. PSO Trading Limited is dormant as of 01 April 2023

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

d Key judgments and estimates

Defined benefit pension scheme

The present value of Positive Steps Oldham' defined benefit pension scheme liabilities is calculated every three years by an appointed actuary. For the purpose of reporting the actuarial present value of promised retirement benefits, this liability value is updated annually in intervening years by the Actuary. The methodology used is in line with accepted guidelines and in accordance with FRS102. Assumptions underpinning the valuations are agreed with the Actuary. See note 27 for summary of assumptions used and sensitivity analysis performed.

It is difficult to assess the accuracy of the rolled-forward obligations shown in the accounts without conducting a full valuation using updated individual membership data. Such a valuation is generally not practical in the time available to meet the Employer's reporting requirements. The estimated rolled-forward obligations as at the accounting date will therefore not reflect differences in demographic experience from that assumed (e.g. member longevity), the impact of differences between aggregate changes in salaries or changes for specific individuals (e.g. individual members transfers in/out of an Employer).

In addition, whilst the obligations calculated under FRS102 include an allowance for some premature retirements on grounds of ill-health, there is no allowance for early retirements on grounds of redundancy or efficiency.

The net present value of future service costs are less than the net present value of future contributions per the Asset Ceiling calculation. As such, the trustees have deemed it not appropriate to recognise any form of asset in respect of the defined benefit pension plan and an adjustment has been posted. See Note 27 for further details.

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2024 (continued)

1 Accounting policies (continued)

Defined benefit pension scheme (continued)

There are risks and uncertainties associated with whatever assumptions are adopted. FRS102 requires the assumptions to be determined on a best estimate basis. However the assumptions are in effect projections of future investment returns and demographic experience many years into the future and there is inevitably a great deal of uncertainty in what constitutes best estimate for such projections.

It should also be noted that the actuary's estimation will likely be less accurate in the second and third years following the last triennial valuation, as greater estimation uncertainty is involved. See note 27 for full disclosure of the pension scheme estimates, including uncertainties.

There are no other key judgments or estimates relevant to the financial statements.

e Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

f Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

g Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2024 (continued)

1 Accounting policies (continued)

h Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

i Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading in the subsidiary company and associated support costs.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

k Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

l Tangible fixed assets

Individual fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Leasehold improvements	The remaining term of the lease
Office fixtures and equipment	3 to 10 years
Mechanical systems	8 to 15 years

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2024 (continued)

1 Accounting policies (continued)

m Debtors

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

n Cash at bank and in hand

Cash at bank and cash 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.

o Creditors and provisions

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

p Financial instruments

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

q Pensions

Defined contribution scheme

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within support and governance costs and allocated to the funds of the charity using the methodology set out in note 9.

Defined benefit scheme

Qualifying employees of Positive Steps participate in the Greater Manchester Pension Fund ('the Fund') administered by Tameside Metropolitan Borough Council, under the regulations governing the Local Government Pension Scheme (LGPS). The scheme is a defined benefit scheme. Full disclosure of the accounting policies used is given in note 27.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2024 (continued)

8 Analysis of expenditure on charitable activities

	Young Peoples Services £	Family, Health, and wellbeing £	Total 2024 £	Young Peoples Services £	Family, Health, and wellbeing £	Total 2023 £
Staff costs	2,797,822	914,033	3,711,855	2,708,931	852,996	3,561,927
Training and employee costs	66,849	8,305	75,154	8,812	2,668	11,480
Project costs	62,977	118,739	181,716	199,929	127,914	327,843
Travel, subsistence and transport	20,376	7,885	28,261	21,176	3,121	24,297
Rent and property costs	8,717	378	9,095	1,140	-	1,140
Stationery and administration	1,036	3,604	4,640	650	-	650
Telephone and data communications	-	-	-	572	-	572
Computer maintenance and software	11,796	-	11,796	-	-	-
Depreciation	113,143	36,963	150,106	113,012	35,637	148,649
Professional services	1,059	7,695	8,754	2,457	4,686	7,143
Pension scheme adjustments:						
Current service costs less employer contribution	25,517	8,337	33,854	273,975	86,395	360,370
Net interest on the defined benefit pension liability	593	194	787	122,044	38,485	160,529
Support costs (see note 9)	1,545,175	504,800	2,049,975	1,134,966	357,898	1,492,864
Governance costs (see note 9)	11,207	3,661	14,868	11,837	3,733	15,570
	4,666,267	1,614,594	6,280,861	4,599,501	1,513,533	6,113,034

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2024 (continued)

9 Analysis of governance and support costs

	Support £	Governance £	Total 2024 £	Support £	Governance £	Total 2023 £
Staff costs	1,002,885	-	1,002,885	612,264	-	612,264
Pension scheme adjustments	9,359	-	9,359	89,637	-	89,637
Training and employee costs	51,344	-	51,344	36,988	-	36,988
Travel, Subsistence and Transport Costs	8,598	-	8,598	6,656	-	6,656
Project costs	47,508	-	47,508	6,904	-	6,904
Telephone and data communication	39,438	-	39,438	38,324	-	38,324
Computer maintenance and software	275,257	-	275,257	246,887	-	246,887
Stationery and administration	28,748	-	28,748	23,489	-	23,489
Rent and property costs	464,923	-	464,923	342,932	-	342,932
Depreciation	40,556	-	40,556	25,580	-	25,580
Professional services	56,294	-	56,294	37,745	-	37,745
Loss on Disposal	4,133	-	4,133	18,785	-	18,785
Bad debt write off	-	-	-	6,674	-	6,674
Irrecoverable VAT	20,932	-	20,932	-	-	-
Audit and accountancy	-	14,868	14,868	-	15,569	15,569
	2,049,975	14,868	2,064,843	1,492,865	15,569	1,508,434

Allocated as follows:

Young Peoples Services	1,545,175	11,207	1,556,382	1,134,966	11,837	1,146,803
Family, Health, and Wellbeing	504,800	3,661	508,461	357,898	3,733	361,631
	2,049,975	14,868	2,064,843	1,492,864	15,570	1,508,434

Support costs have been apportioned using numbers of people per area of activity, or on a basis which is considered consistent with the use of the resources.

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

10	Net income/(expenditure) for the year	2024	2023
		£	£
	This is stated after charging/(crediting):		
	Depreciation	190,663	174,654
	Loss on disposal of fixed assets	4,133	18,785
	Defined benefit pension costs:		
	Current year service costs	336,000	852,000
	Past service cost	74,000	-
	Net interest	-	196,000
	Movement in holiday pay accrual	17,807	(35,950)
	Operating lease rentals: Land and buildings	120,000	120,000
	Auditor's remuneration - audit fees	10,920	10,500
	Auditor's remuneration - accountancy fees	3,015	5,069

11 Staff costs

Staff costs during the year were as follows:

	2024	2023
Wages and salaries	3,913,475	3,589,589
Social security costs	365,046	338,736
Pension costs	425,205	455,751
Movement in holiday pay accrual	17,807	(35,950)
	4,721,533	4,348,126
	4,721,533	4,348,126

The average number of employees and secondees during the year was as follows:

Charitable activities	144	123
Raising funds	-	5
	144	130
	144	130

The number of employees whose emoluments (gross salary plus employer pension contribution) amounted to over £60,000 in the year were as follows:

£60,001 - £70,000	1	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

The key management personnel of the charity comprise the trustees and the Senior Management Team. The total employee benefits of the key management personnel of the charity were £329,254 (2023: £351,526).

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

12 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2023: Nil).

In line with the definition of a related party per FRS102, any entity that is a post-employment benefit plan for the benefit of employees of the reporting entity is a related party and hence is to be disclosed. Under this basis, Greater Manchester Pension Fund are a related party. For more details of associated transactions please see note 27.

Nine trustees (four of whom resigned on the 4th May 2023) are also Oldham Metropolitan Borough Councillors. During the year, the charity was paid £3,533,895 (2023: £2,811,150) by the council for services. The charity also paid £22,269 (2023: £18,815) for charges made by the council.

The charity is the sole member of its subsidiary company PSO Trading Limited. The charity is a director of PSO Trading Limited, as are two members of the charity's senior management team.

During the year the charity had the following transactions with the subsidiary:

	2024	2023
	£	£
Payroll costs re-charged to the subsidiary	-	174,146
Other costs recharged to the subsidiary	-	47,770
Write off of costs owed by the subsidiary	-	(56,503)

Apart from the above, no trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2023: nil).

13 Government grants

The government grants recognised in the accounts were as follows:

	2024	2023
	£	£
Children in Need	43,479	37,021
Early Intervention Services	45,000	45,000
Turnaround	150,758	58,733
Young Carers- HAF	11,834	9,157
Household Support Grant	21,455	-
Roots of Opportunities	-	189,218
	<u>272,526</u>	<u>339,129</u>

There were no unfulfilled conditions and contingencies attaching to the grants.

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

14 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The charity's trading subsidiary PSO Trading Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was:

	2024 £	2023 £
UK corporation tax	-	-

15 Fixed assets: tangible assets

The group	Leasehold improvements £	Office equipment & furniture £	Total £
Cost			
At 1 April 2023	804,797	637,356	1,442,153
Additions	26,000	9,595	35,595
Disposals	-	(81,334)	(81,334)
At 31 March 2024	830,797	565,617	1,396,414
Depreciation			
At 1 April 2023	305,907	379,019	684,926
Charge for the year	90,645	100,018	190,663
Disposals	-	(77,200)	(77,200)
At 31 March 2024	396,552	401,837	798,389
Net book value			
At 31 March 2024	434,245	163,780	598,025
At 31 March 2023	498,890	258,337	757,227

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

16 Fixed assets: tangible assets (continued)

The charity	Leasehold improvements £	Office equipment & furniture £	Total £
Cost			
At 1 April 2023	804,797	637,356	1,442,153
Additions	26,000	9,595	35,595
Disposals	-	(81,334)	(81,334)
	<hr/>	<hr/>	<hr/>
At 31 March 2024	830,797	565,617	1,396,414
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 April 2023	305,907	379,019	684,926
Charge for the year	90,645	100,018	190,663
Disposals	-	(77,200)	(77,200)
	<hr/>	<hr/>	<hr/>
At 31 March 2024	396,552	401,837	798,389
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31 March 2024	434,245	163,780	598,025
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2023	498,890	258,337	757,227
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17 Investments

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Investment in group undertakings	-	-	1	1
	<hr/>	<hr/>	<hr/>	<hr/>

The charity owns one share in PSO Trading Limited which represents 100% of the issued share capital of that company.

18 Subsidiary undertaking

The Charitable company owns the whole of the issued ordinary share capital of PSO Trading Limited, a company registered in England. The subsidiary was used for non-primary purpose trading activities but is dormant as of 01/04/2023

Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

18 Subsidiary undertaking (continued)

Profit and loss account	2024 £	2023 £
Turnover	-	257,718
Administration costs	-	(297,604)
Other operating income	-	82,603
	<hr/>	<hr/>
Net (loss)/profit	-	£42,717
	<hr/> <hr/>	<hr/> <hr/>
Balance sheet	2024 £	2023 £
Current assets	1	1
	<hr/>	<hr/>
	£1	£1
	<hr/> <hr/>	<hr/> <hr/>
Called up share capital	1	1
	<hr/>	<hr/>
	£1	£1
	<hr/> <hr/>	<hr/> <hr/>

The activities of the trading subsidiary PSO Trading Limited were transferred to the parent charity as at 31/03/2023 and the trading subsidiary has been dormant since 01/04/2023.

19 Parent charity

The parent charity's gross income and the results for the year are disclosed as follow:

	2024 £	2023 £
Gross income	6,345,451	6,148,919
Net surplus/(deficit)	64,590	(260,173)
Actuarial (losses)/gains on defined benefit pension scheme	44,000	6,990,000
Net movement in funds	108,590	6,729,827
	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

20 Debtors

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	1,124,273	884,699	1,124,273	884,699
Prepayments	73,121	26,604	73,121	26,604
Accrued income	31,255	196,880	31,255	196,880
Other debtors	67,166	-	67,166	-
	<u>1,295,815</u>	<u>1,108,183</u>	<u>1,295,815</u>	<u>1,108,183</u>

21 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	230,588	173,701	230,588	173,701
Accruals	98,054	82,019	98,054	82,019
Deferred income	370,242	236,146	370,242	236,146
Taxation and social security costs	286,540	310,477	286,540	310,477
	<u>985,424</u>	<u>802,343</u>	<u>985,424</u>	<u>802,343</u>

Deferred income is service contract income where amounts have been received or billed in advance of the performance of the services.

Included within accruals is a balance of £71k (2023: £54k) in respect of a holiday pay accrual.

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

22 Analysis of movements in restricted funds

Current reporting period

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Children in Need 21-24	11,071	43,479	(52,567)	-	1,983
Turnaround	1,602	150,758	(152,360)	-	-
Early Intervention Services Grant	-	45,000	(45,000)	-	-
EIP Household support grant	-	21,455	(21,455)	-	-
Welfare Hub	-	64,137	(64,137)	-	-
Young Carers - HAF	-	11,834	(11,834)	-	-
Community Safety Funding	-	40,000	(40,000)	-	-
Total	12,673	376,663	(387,353)	-	1,983

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

22 Analysis of movements in restricted funds

Previous reporting period

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 1 April 2023</i>
	£	£	£	£	£
<i>Children in Need 21-24</i>	3,312	37,021	(29,262)	-	11,071
<i>Community Renewal Fund: Roots of Opportunity</i>	60,802	189,218	(250,020)	-	-
<i>Turnaround</i>	-	58,733	(57,131)	-	1,602
<i>Early Intervention Services Grant</i>	-	45,000	(45,000)	-	-
<i>EIP Household support grant</i>	-	24,665	(24,665)	-	-
Total	64,114	354,637	(406,078)	-	12,673

**Name of
restricted fund**

Description, nature and purposes of the fund

Children in Need 21-24	Health and wellbeing project for young carers
Turnaround	Turnaround Programme (voluntary youth early intervention programme)
Early Intervention Services Grant	Early Intervention and Prevention grant programme
EIP Household support grant	Oldham Cost-of-Living Household Support Fund 2022
Welfare Hub	Greater Manchester personal wellbeing pilot service
Community Safety Fund	Oldham community Youth Justice mental health support
Young Carers - HAF	Oldham programme of holiday activities and food programme

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

23 Analysis of movement in group unrestricted funds

Current period

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	As at 31 March 2024 £
General fund	2,577,167	5,968,788	(5,849,508)	(170,000)	2,526,447
Pension reserve	-	-	-	-	-
Total general funds	2,577,167	5,968,788	(5,849,508)	(170,000)	2,526,447
Project Shortfall	-	-	-	170,000	170,000
Total designated funds	-	-	-	170,000	170,000
Total unrestricted funds	2,577,167	5,968,788	(5,849,508)	-	2,696,447

Prior period

	<i>Balance at 1</i> <i>April 2022</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> £	<i>As at 31</i> <i>March 2023</i> £
<i>General fund</i>	2,113,857	5,857,335	(6,030,025)	636,000	2,577,167
<i>Pension reserve</i>	(6,930,000)	-	-	6,930,000	-
Total unrestricted funds	(4,816,143)	5,857,335	(6,030,025)	7,566,000	2,577,167

Name of	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Pension reserve	Reserves allocated to the defined benefit pension fund asset/liability
Project Shortfall	Designated fund to cover expected shortfall on specific projects

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

24 Analysis of group net assets between funds

Current reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	598,025	-	-	598,025
Net current assets/(liabilities)	1,928,423	170,000	1,983	2,100,405
Total	2,526,448	170,000	1,983	2,698,430

Previous reporting period

	<i>General fund £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total £</i>
<i>Tangible fixed assets</i>	<i>757,227</i>	<i>-</i>	<i>-</i>	<i>757,227</i>
<i>Net current assets/(liabilities)</i>	<i>1,819,939</i>	<i>-</i>	<i>12,673</i>	<i>1,832,612</i>
Total	2,577,166	-	12,673	2,589,839

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

25 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
<i>Land and buildings:</i>				
Less than one year	120,000	120,000	120,000	120,000
One to five years	480,000	480,000	480,000	480,000
Over five years	67,068	187,068	67,068	187,068
	667,068	787,068	667,068	787,068
	667,068	787,068	667,068	787,068

The figures for future minimum lease payments are stated net of the refurbishment contribution agreed with the landlord. In the accounts, the refurbishment contribution is included income. The annual rent before refurbishment contribution is £264,700. The lease expires on 22 October 2029.

26 Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
	£	£
Net income/(expenditure) for the year	64,590	(224,132)
Adjustments for:		
Depreciation charge and disposals	194,796	193,439
Dividends, interest and rents from investments	(155,451)	(120,292)
Decrease/(increase) in debtors	(187,632)	(352,683)
Increase/(decrease) in creditors	183,080	2,162
Pension scheme adjustments	44,000	636,000
	143,386	134,494
Net cash provided by/(used in) operating activities	143,386	134,494

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme

Defined benefit scheme

Qualifying employees of Positive Steps participate in the Greater Manchester Pension Fund ('the Fund') administered by Tameside Metropolitan Borough Council, under the regulations governing the Local Government Pension Scheme (LGPS). The scheme is a defined benefit scheme. The fund was valued using the projected unit method. The purpose of the valuation was to determine the financial position of the fund and to recommend the contribution rate to be paid by TfGM and the other participating employers.

The market value of the Fund's assets at 31 March 2022 amounted to £29.324 million. The funding level of the Fund as measured using the actuarial method of valuation was 104% as at 31 March 2022.

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, rates of inflation and discount rates. The Local Government Pension Scheme liability has been estimated by Hymans Robertson LLP, an independent firm of actuaries. Positive Steps Oldham's share of pension fund assets is rolled forward, by the actuary, from the latest formal valuation date (31 March 2022). The roll forward amount is then adjusted for investment returns, the effective contributions paid into and estimated benefits paid from the fund by Positive Steps and its employees. As such this estimate may differ significantly from the actual assets held by the Pension Fund at 31 March 2024. The significant assumptions used by the actuary have been as below.

Key assumptions

	2024	2023
	%pa	%pa
Discount rate	4.85	4.75
Expected rate of increase of pensions in payment	2.75	2.95
Expected rate of salary increases	3.55	3.75

Mortality assumptions

	2024	2023
	years	years

Assumed life expectations on retirement at aged 65:

Retiring today:		
- Males	20.4	20.5
- Females	23.3	23.5
Retiring in 20 years		
- Males	21.4	21.5
- Females	24.8	25

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

Commutation

An allowance is included for future retirements to elect to take 55% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 50% of the maximum tax-free cash for post-April 2008 service.

Sensitivity analysis

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

	2023/2024		2022/2023	
	% increase to Defined Benefit Obligation	Approximate monetary amount (£'000)	% increase to Defined Benefit Obligation	Approximate monetary amount (£'000)
Changes in assumptions				
0.1% decrease in Real Discount Rate	2%	584	2%	600
1 year increase in member life expectancy	4%	1,119	4%	1,117
0.1% increase in Salary Increase Rate	0%	21	0%	56
0.1% Increase in the Pension Increase Rate (CPI)	2%	574	2%	553

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5% (2023: 3-5%). In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

Impact on the accounts

	2024	2023
	£	£
The amounts charged or (credited) in the Statement of Financial Activities are as follows:		
Current service cost	336,000	852,000
Net interest on defined benefit liability	-	198,000
Past service cost	74,000	-
	<u>410,000</u>	<u>1,050,000</u>
Other recognised (gains) or losses:		
Actuarial return on scheme assets	(1,016,000)	923,000
Effect of the asset ceiling	(10,014,000)	-
Less: calculated interest element	-	-
	<u>(11,030,000)</u>	<u>923,000</u>
Actuarial changes relating to obligations	(1,110,000)	(18,049,000)
Restriction on recognition of scheme asset	12,096,000	9,560,000
Total cost/(income)	<u>(12,140,000)</u>	<u>(17,126,000)</u>

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

Present value of funded retirement benefit obligations	(27,963,000)	(27,914,000)
Fair value of plan assets	40,059,000	37,474,000
	<u>12,096,000</u>	<u>9,560,000</u>
Surplus/ (deficit) in scheme		
	<u>(12,096,000)</u>	<u>(9,560,000)</u>
Restriction on recognition of scheme asset		
Net asset/ (liability) recognised on the balance sheet	<u>-</u>	<u>-</u>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

Impact on the accounts (continued)

The present value of the defined benefit obligation as at 31st March 2024 is less than the fair value of plan assets at that date. As such the plan is in a surplus position of £12,096,000 as at 31st March 2024. Per FRS102 section 28.22 an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

An entity should recognise a net pension asset in such cases because the entity controls a resource, and that control is a result of past events. This is in the form of contributions paid by the entity and service rendered by the employee. Future economic benefits are available to the entity in the form of a reduction in future contributions or a cash refund, either directly to the entity or indirectly to another plan in deficit. The asset ceiling is the present value of those future benefits.

Accounting standards dictate that when an entity has a surplus in a defined benefit plan, it should measure the net defined benefit of the asset at the lower of:

- i. the surplus in the defined benefit plan, and
- ii. the asset ceiling

The entity has instructed Hymans Robertson LLP, an independent firm of actuaries to calculate an asset ceiling calculation based on the net present value of future service costs less net present value of future contributions over the future working lifetime as at 31 March 2024.

The below assumptions were used by the actuary as part of the calculation:

- i. Present value calculated over the expected life of the employer (i.e. in line with now established LGPS audit and practitioner views, an indefinite period for an LGPS employer open to new entrants).
Calculated to be 76.9 years
- ii. discount rate of 4.85% p.a. and salary increase of 3.55% p.a. from the Employer's 31 March 2024 accounting report, giving an annuity of 8.16
- iii. the present value of the liability expected to arise from next years' service by scheme members less the present value of future employee contributions is equal to the projected current service cost as calculated by the actuary in the valuation of the scheme.
- iii. the employer contributions for the 2024/2025 financial year to be paid by the entity will be £332k.

The results of the instructed calculations are:

	£
Annuity (in perpetuity) x 2024/25 future service costs: 76.9 * £298k	22,916,000
Annuity (in perpetuity) x future service element employer contribution: 76.9 * £332k	(25,531,000)

Net present value of any economic benefits available in the form of refunds or reductions in future contributions to the plan.	(2,615,000)
	=====

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

Impact on the accounts (continued)

Per the above calculation, the net present value of future service costs are less than the net present value of future contributions and as such it does not appear that a recoverable asset exists either through a reduction in the entity's future contributions or through being able to obtain refunds from the plan.

Therefore the entity have not deemed it appropriate to recognise any form of asset in respect of the defined benefit pension plan and a £2.6m adjustment has been posted through other recognised gains/losses within the statement of financial activities.

The increase in pension liabilities is included in the SOFA as follows:

Other recognised gains/ (losses)	44,000	7,566,000
Current service cost	(336,000)	(852,000)
Net interest on defined benefit liability	(1,321,000)	(196,000)
Past service cost	(74,000)	-
	<hr/>	<hr/>
(Increase)/decrease in liability	(1,687,000)	6,518,000
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of defined benefit obligations

Liabilities brought forward	27,914,000	44,283,000
Current service cost	336,000	852,000
Past service cost	74,000	-
Benefits paid	(678,000)	(519,000)
Contributions from scheme members	106,000	124,000
Remeasurements:		
Changes in financial assumptions	(1,836,000)	(17,547,000)
Changes in demographic assumptions	(180,000)	80,000
Other experience	906,000	(582,000)
Interest cost on defined benefit obligations	1,321,000	1,223,000
	<hr/>	<hr/>
Liabilities carried forward	27,963,000	27,914,000
	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

Impact on the accounts (continued)

The defined benefit obligations arising from the plan are funded as follows:

Wholly unfunded obligations	-	-
Wholly funded obligations	27,963,000	27,914,000
	<hr/>	<hr/>
	27,963,000	27,914,000
	<hr/> <hr/>	<hr/> <hr/>
<i>Movement in the fair value of plan assets</i>		
Opening fair value of the scheme assets	37,474,000	37,353,000
Interest income on plan assets	1,775,000	1,027,000
Contributions by employer	366,000	412,000
Contributions by members	106,000	124,000
Benefits paid	(678,000)	(519,000)
Other experience	-	(552,000)
Return on assets excluding amounts included in net interest	1,016,000	(371,000)
	<hr/>	<hr/>
	40,059,000	37,474,000
	<hr/> <hr/>	<hr/> <hr/>

The major categories of plan assets as a percentage of total plan assets are as follows:

	%	%
Equities	69	68
Bonds	15	15
Property	8	9
Cash	8	8

The analysis of the scheme assets at the reporting date was as follows:

	£	£
Equities	27,640,710	25,026,510
Bonds	6,008,850	5,602,950
Property	3,204,720	2,988,240
Cash	3,204,720	3,735,300
	<hr/>	<hr/>
	40,059,000	37,353,000
	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

Review of the 2024 results

Assets

In the year ending 31 March 2024, investment returns have typically been higher than assumed (compared to last year's accounting discount rate assumption). As such, this has resulted in an increase in the fair value of the scheme assets.

Obligations

The remeasurements in the obligations roll forward are split into three separate parts to differentiate between 'changes in financial assumptions', 'changes in demographic assumptions' and 'other experience'.

Changes in financial assumptions	As at 31st March 2024, the net discount rate (discount rate net of CPI inflation has increased compared to 31st March 2023.
Changes in demographic assumptions	Using a more up-to-date longevity improvement assumption at the Accounting Date, typically leads to a small gain of less than 1% of the obligations. The loss (increase in obligations) resulting from applying the actual Pensions Increase Order for April 2024 of 6.7% to the benefits.
Changes in other experience	Furthermore, the unfunded obligations are valued annually using updated individual membership data which can lead to (typically small) experience items if there have been greater or fewer deaths than expected over the period.

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2024 (continued)

27 Retirement benefit scheme (continued)

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. TfGM has agreed a strategy with the scheme's actuary to achieve a funding level of 100%. Funding levels are monitored on an annual basis. As at 31 March 2022 it was determined that Positive Steps were to continue to pay 22.4% contributions per annum for the foreseeable future.

Positive Steps anticipates paying £366,000 in expected employer's contributions to the scheme in 2024/25.

Key differences between funding and accounting valuations

The purpose of the formal funding valuation, which is carried out every three years, is to assess the ongoing financial position of the fund and to determine the cash contribution rates at which the employing bodies participating in the fund should contribute in the future. The aim of the funding valuation is to ensure that the existing assets alongside future expected investment returns and contributions will be sufficient to meet future benefit payments from the fund.

In terms of the above cash contributions that need to be paid into the fund, an employer's accounting valuation position has no effect. Under FRS102, the purpose is to facilitate consistent comparison of pension positions between employers.

Importantly, as the method and assumptions underlying the funding and accounting calculations are different, the accounting calculations can produce significantly different results from the formal funding valuation calculations.