



**POSITIVE STEPS**

SUPPORT | CHALLENGE | CHANGE

**Registered Number: 02563094**

**Charity Number: 288125**

**POSITIVE STEPS OLDHAM**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

## **POSITIVE STEPS**

### **TABLE OF CONTENTS**

	<b>Page</b>
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
Robert Edden (resigned 31 May 2025)	Director of Corporate Services & Company Secretary, Company Secretary
Richard O'Connell	Director of Finance and Operations (27 May 2025)

Trustees	Representing	Comment
Mrs Joanne Marie Forsdike (Chair as of 1 <sup>st</sup> April 2023)	Independent	
Ms Hannah Jane Roberts	Independent	
Mr Vinesh Mistry	Independent	
Ms Mezreet Rasul	Independent	
Mrs Nicola Jane Robinson	Independent	Resigned 1 <sup>st</sup> April 2025
Cllr Diane Tracey Williamson	Oldham Council	Appointed 20 <sup>th</sup> August 2024
Zack Maher	Independent	Appointed 18 March 2025
MAHMOOD, Aisha	Independent	Appointed 18 March 2025
Hayley Harewood	Independent	
Holly Louise Harrison	Oldham Council	
Umar Nasheen	Oldham Council	
Dr Shaid Mushtaq	Oldham Council	Resigned 20 <sup>th</sup> August 2024
Iffat Parveen	Independent	Appointed 18 March 2025
Patrice Ann Byrne	Oldham Council	Resigned 22 <sup>nd</sup> May 2024
Cllr Mohammed Islam	Oldham Council	Resigned 20 May 2025

## **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 2024 - 25 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.

### **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 Rochdale. The Tameside service was brought in house by Tameside MBC in December 2025, with the staff delivering this service transferring to Tameside MBC. We continue to deliver careers guidance within Tameside Schools. 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 those who are young carers. Allied to that, we have contracts with over 50 schools and colleges to provide IAG for non-targeted students.

'Empower Oldham' and 'Engaging Rochdale' projects are funded by the UK Shared Prosperity Fund (UKSPF) to connect with young people currently NEET. The tailored provision includes mentoring, well-being support, and practical solutions to build confidence, resilience, and motivation. Support is focussed on removing barriers, learning new skills, and moving into employment or training.

Our Positive Futures programme collaborates with secondary schools, identifying young people becoming detached from mainstream education. It provides a blended offer to reintegrate them fully into school life over a period of 14 weeks. We can also support students seeking work

experience placements, ensuring that employers are resourced and insured to handle a placement safely.

## **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 in partnership with Oldham Council and 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.
- Welfare Hub- This is a probation referral programme supporting adults via referral through Probation in Oldham around a range of needs to reduce the risk of re-offending.

## **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 and support 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. A sub-contract arrangement with a local SEND support organisation enables us to complement our bicycle recycling project with a service that offers affordable disability bike hire to those with physical or learning needs and their families and carers.

## ACHIEVEMENTS AND PERFORMANCE

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 2024 to March 2025, 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
<b>Early Intervention and prevention</b>		
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
--	------	------

## FINANCIAL REVIEW

The Positive Steps Oldham Charity accounts for 2024 - 25 show overall income increasing from £6,345,451 in 2023-24 to £6,697,652, a 5.5% increase this year.

The accounts show an operating deficit of £102,384, compared to a surplus of £108,590 in 2023/24.

On reviewing the Balance Sheet, the net assets, excluding pension liability, have decreased from £2,698,430 to £2,596,046.

### 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 2025, the trustees approved the following Reserves Policy:

#### Purpose

The purpose of the Reserves Policy for Positive Steps is to ensure the stability of the organisation's vision, programs, employment, and ongoing operations and to provide a source of internal funds for organizational priorities such as building repair and improvement, program opportunity, and capacity building.

#### Definition

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.

#### Use of Reserves

A Building and Capital Asset Reserve intended to provide a ready source of funds for the repair or acquisition of buildings, leaseholds, furniture, fixtures, and equipment necessary to effectively operate the organisation and programs.

A System and Technology Reserve is intended as 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.

An Operating Reserve is intended to provide 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. It is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

#### Set Aside Funds

The set-aside values for these reserves as of 31<sup>st</sup> March 2025:

Building and Capital Asset Reserve	£250,000
System and Technology Reserve	£100,000
Operating Reserve	<u>£1,100,000</u>
	£1,450,000

## PLANS FOR FUTURE PERIOD

### Strategic Plan

In June 2025, Positive Steps launched its new strategic plan for 2025–2028, developed through extensive consultation with stakeholders including service users, staff, and Trustees. The plan repositions our focus on organisational growth and long-term sustainability, in response to the evolving challenges across local, regional, and national contexts. These include rising levels of deprivation, increased demand for services, constrained public sector funding, and the broader impact of the cost-of-living crisis.

The strategy is structured around four key pillars: Impact, Place, People, and Future. As part of this renewed future focus, we have introduced a new strategic role—Director of Impact and Growth—to lead cross-organisational efforts in strengthening our foundations and expanding our reach and effectiveness.

A further priority is the enhancement of our internal systems to meet the demands of rapid technological change, particularly in the areas of artificial intelligence and automation. To support this, we are working with two digital specialists from Greater Manchester to ensure our services are future-proofed while remaining aligned with our core values. This will include upskilling our people across Positive Steps to ensure they are prepared and capable of navigating the change.

We remain committed to delivering our services alongside those we serve and in the places that work for them. That means building on a more participatory approach to our work through increasing their influence on our decision making and delivery.

We know that the plan is no achievement. We are now focussed on the implementation of our ambitions to make our vision of ‘empowering people and communities to reach their full potential’ a reality.

### 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
Rochdale	31 <sup>st</sup> March 2026	Successful
Oldham	31 <sup>st</sup> March 2028 (plus 4 years possible extension)	Successful

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 2025/26. The initial development is alternative provision education through two projects: creating a second site in Rochdale, which opened 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.

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.

## **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 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 04 / 12 / 2025 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 2025 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 2025 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](http://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.

*P Morrello*

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 04 / 12 / 2025

**Positive Steps Oldham**  
**Consolidated Statement of Financial Activities**  
**(including Income and Expenditure account)**  
**for the year ended 31 March 2025**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2025 £	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Total funds 2024 £</i>
<b>Income from:</b>							
Donations and legacies	3	137,600	-	137,600	176,975	-	176,975
Charitable activities	4	5,750,470	504,739	6,255,209	5,561,543	376,663	5,938,206
Other trading activities	5	64,291	-	64,291	74,819	-	74,819
Investments	6	240,552	-	240,552	155,451	-	155,451
<b>Total income</b>		<b>6,192,913</b>	<b>504,739</b>	<b>6,697,652</b>	<b>5,968,788</b>	<b>376,663</b>	<b>6,345,451</b>
<b>Expenditure on:</b>							
Raising funds	7	-	-	-	-	-	-
Charitable activities	8	6,239,869	495,167	6,735,036	5,893,508	387,353	6,280,861
<b>Total expenditure</b>		<b>6,239,869</b>	<b>495,167</b>	<b>6,735,036</b>	<b>5,893,508</b>	<b>387,353</b>	<b>6,280,861</b>
<b>Net income/(expenditure)</b>	10	(46,956)	9,572	(37,384)	75,280	(10,690)	64,590
Transfer between funds		(368)	368	-			
Remeasurement gain/(loss) on defined benefit pension plan	26	(65,000)	-	(65,000)	44,000	-	44,000
<b>Net movement in funds</b>		<b>(112,324)</b>	<b>9,940</b>	<b>(102,384)</b>	<b>119,280</b>	<b>(10,690)</b>	<b>108,590</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		2,696,447	1,983	2,698,430	2,577,167	12,673	2,589,840
<b>Total funds carried forward</b>		<b>2,584,123</b>	<b>11,923</b>	<b>2,596,046</b>	<b>2,696,447</b>	<b>1,983</b>	<b>2,698,430</b>

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 2025**

	Note	The Group		The Charity	
		2025 £	2024 £	2025 £	2024 £
<b>Fixed assets</b>					
Tangible assets	15	440,043	598,025	440,043	598,025
Investments	17	-	-	1	1
<b>Total fixed assets</b>		<b>440,043</b>	<b>598,025</b>	<b>440,044</b>	<b>598,026</b>
<b>Current assets</b>					
Debtors	19	658,734	1,295,815	658,734	1,295,815
Cash at bank and in hand		2,450,264	1,790,014	2,450,263	1,790,013
<b>Total current assets</b>		<b>3,108,998</b>	<b>3,085,829</b>	<b>3,108,997</b>	<b>3,085,828</b>
<b>Liabilities</b>					
Creditors: amounts falling due in less than one year	20	(952,995)	(985,424)	(952,995)	(985,424)
<b>Net current assets</b>		<b>2,156,003</b>	<b>2,100,405</b>	<b>2,156,002</b>	<b>2,100,404</b>
<b>Total assets less current liabilities</b>		<b>2,596,046</b>	<b>2,698,430</b>	<b>2,596,046</b>	<b>2,698,430</b>
<b>Net assets excluding pension liability</b>		<b>2,596,046</b>	<b>2,698,430</b>	<b>2,596,046</b>	<b>2,698,430</b>
Defined benefit pension scheme asset/ (liability)	26	-	-	-	-
<b>Net assets/ (liabilities)</b>		<b>2,596,046</b>	<b>2,698,430</b>	<b>2,596,046</b>	<b>2,698,430</b>
<b>Funds of the charity:</b>					
Restricted income funds	21	11,923	1,983	11,923	1,983
Unrestricted income funds:					
General	22	2,414,123	2,526,447	2,414,123	2,526,447
Pension reserve	22	-	-	-	-
Designated fund	22	170,000	170,000	170,000	170,000
<b>Total charity funds/ (deficit)</b>		<b>2,596,046</b>	<b>2,698,430</b>	<b>2,596,046</b>	<b>2,698,430</b>

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 22 to 46 form part of these accounts.

Approved by the trustees on

04 / 12 / 2025

and signed on their behalf by:



**Joanne Forsdike**  
**(Trustee/Director)**

Positive Steps Oldham

Consolidated Statement of Cash Flows  
for the year ending 31 March 2025

	Note	2025 £	2024 £
<b>Cash provided by/(used in) operating activities</b>	25	<b>441,836</b>	<b>143,386</b>
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		240,552	155,451
Purchase of tangible fixed assets		(22,138)	(35,595)
<b>Cash provided by/(used in) investing activities</b>		<b>218,414</b>	<b>119,856</b>
Increase/(decrease) in cash and cash equivalents in the year		660,250	263,242
Cash and cash equivalents at the beginning of the year		1,790,014	1,526,772
<b>Total cash equivalents at the end of the year</b>		<b>2,450,264</b>	<b>1,790,014</b>

# Positive Steps Oldham

## Notes to the accounts for the year ended 31 March 2025

### 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.

## Positive Steps Oldham

### Notes to the accounts for the year ended 31 March 2025 (continued)

#### 1 Accounting policies (continued)

##### Defined benefit pension scheme (continued)

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.

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 2025 (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 2025 (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 2025 (continued)

**3 Income from donations and legacies**

	Unrestricted £	Restricted £	Total 2025 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2024</i> £
Refurbishment contribution from landlord	130,360	-	130,360	144,828	-	144,828
Donations	7,240	-	7,240	10,397	-	10,397
In kind donation: Property Lease	-	-	-	21,750	-	21,750
	<u>137,600</u>	<u>-</u>	<u>137,600</u>	<u>176,975</u>	<u>-</u>	<u>176,975</u>

**4 Income from charitable activities**

	Unrestricted £	Restricted £	Total 2025 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2024</i> £
Young Peoples Services	4,249,749	242,986	4,492,735	4,116,778	235,759	4,352,537
Families Health and Wellbeing	1,500,721	261,753	1,762,474	1,444,765	140,904	1,585,669
	<u>5,750,470</u>	<u>504,739</u>	<u>6,255,209</u>	<u>5,561,543</u>	<u>376,663</u>	<u>5,938,206</u>

**5 Income from other trading activities**

	Unrestricted £	Restricted £	Total 2025 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2024</i> £
Projects	-	-	-	54,348	-	54,348
Other income (Placements and sundry sales)	64,291	-	64,291	20,471	-	20,471
	<u>64,291</u>	<u>-</u>	<u>64,291</u>	<u>74,819</u>	<u>-</u>	<u>74,819</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2025 (continued)

6 Investment income

	Unrestricted	Restricted	Total 2025	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total 2024</i>
	£	£	£	£	£	£
Income from bank deposits	72,848	-	72,848	37,442	-	37,442
Rent receivable	120,681	-	120,681	107,916	-	107,916
Room hire	47,023	-	47,023	10,093	-	10,093
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	240,552	-	240,552	155,451	-	155,451
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7 Cost of raising funds

Cost of raising funds relate to the cost of the trading subsidiary which was dormant in the current and prior year. Amount was £Nil (2024: £Nil)

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2025 (continued)

8 Analysis of expenditure on charitable activities

	Young Peoples Services £	Family, Health, and wellbeing £	Total 2025 £	Young Peoples Services £	Family, Health, and wellbeing £	Total 2024 £
Staff costs	2,965,715	1,131,343	4,097,058	2,797,822	914,033	3,711,855
Training and employee costs	111,300	58,971	170,271	66,849	8,305	75,154
Project costs	224,124	120,216	344,340	62,977	118,739	181,716
Travel, subsistence and transport	23,648	12,101	35,749	20,376	7,885	28,261
Rent and property costs	40,585	46	40,631	8,717	378	9,095
Stationery and administration	72,280	5	72,285	1,036	3,604	4,640
Computer maintenance and software	10,007	-	10,007	11,796	-	11,796
Depreciation	107,251	40,913	148,164	113,143	36,963	150,106
Professional services	8,141	7,864	16,005	1,059	7,695	8,754
Pension scheme adjustments:						
Current service costs less employer contribution	(65,000)		(65,000)	25,517	8,337	33,854
Net interest on the defined benefit pension liability			-	593	194	787
Support costs (see note 9)	1,336,622	509,887	1,846,509	1,545,175	504,800	2,049,975
Governance costs (see note 9)	13,766	5,251	19,017	11,207	3,661	14,868
	<u>4,848,439</u>	<u>1,886,597</u>	<u>6,735,036</u>	<u>4,666,267</u>	<u>1,614,594</u>	<u>6,280,861</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2025 (continued)

9 Analysis of governance and support costs

	Support £	Governance £	Total 2025 £	Support £	Governance £	Total 2024 £
Staff costs	883,644	-	883,644	1,002,885	-	1,002,885
Pension scheme adjustments	-	-	-	9,359	-	9,359
Training and employee costs	54,897	-	54,897	51,344	-	51,344
Travel, Subsistence and Transport Costs	9,173	-	9,173	8,598	-	8,598
Project costs	15,468	-	15,468	47,508	-	47,508
Telephone and data communication	37,447	-	37,447	39,438	-	39,438
Computer maintenance and software	258,270	-	258,270	275,257	-	275,257
Stationery and administration	19,247	-	19,247	28,748	-	28,748
Rent and property costs	443,388	-	443,388	464,923	-	464,923
Depreciation	31,956	-	31,956	40,556	-	40,556
Professional services	61,661	-	61,661	56,294	-	56,294
Loss on Disposal	-	-	-	4,133	-	4,133
Irrecoverable VAT	31,358	-	31,358	20,932	-	20,932
Audit and accountancy	-	19,017	19,017	-	14,868	14,868
	<u>1,846,509</u>	<u>19,017</u>	<u>1,865,526</u>	<u>2,049,975</u>	<u>14,868</u>	<u>2,064,843</u>
<b>Allocated as follows:</b>						
Young Peoples Services	1,336,622	13,766	1,350,388	1,545,175	11,207	1,556,382
Family, Health, and Wellbeing	509,887	5,251	515,138	504,800	3,661	508,461
	<u>1,846,509</u>	<u>19,017</u>	<u>1,865,526</u>	<u>2,049,975</u>	<u>14,868</u>	<u>2,064,843</u>

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 2025 (continued)**

<b>10</b>	<b>Net income/(expenditure) for the year</b>	2025	2024
		£	£
	This is stated after charging/(crediting):		
	Depreciation	180,120	190,663
	Loss on disposal of fixed assets	-	4,133
	Defined benefit pension costs:		
	Current year service costs	274,000	336,000
	Past service cost	-	74,000
	Operating lease rentals: Land and buildings	147,802	120,000
	Auditor's remuneration - audit fees	11,460	10,920
	Auditor's remuneration - accountancy fees	3,200	3,015

**11 Staff costs**

Staff costs during the year were as follows:

	2025	2024
Wages and salaries	4,226,768	3,913,475
Social security costs	384,059	365,046
Pension costs	391,139	425,205
Movement in holiday pay accrual	(21,264)	17,807
	4,980,702	4,721,533

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

Charitable activities	149	144
Raising funds	-	-
	149	144

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	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	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 £265,107 (2024: £329,254).

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (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 (2024: 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.

Six trustees (two of whom resigned on the 20th August 2024) are also Oldham Metropolitan Borough Councillors. During the year, the charity was paid £3,938,962 (2024: £3,533,895) by the council for services. The charity also paid £20,962 (2024: £22,269) 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.

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 (2024: nil).

**13 Government grants**

The government grants recognised in the accounts were as follows:

	2025	2024
	£	£
Children in Need	19,445	43,479
Early Intervention Services	45,000	45,000
Turnaround	146,986	150,759
Young Carers- HAF	18,223	11,834
Household Support Grant	18,500	21,455
	<hr/>	<hr/>
	248,154	272,527
	<hr/> <hr/>	<hr/> <hr/>

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

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (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.

**15 Fixed assets: tangible assets**

<b>The group</b>	Leasehold improvements	Office equipment & furniture	Total
	£	£	£
<b>Cost</b>			
At 1 April 2024	830,797	565,617	1,396,414
Additions	4,742	17,396	22,138
	<hr/>	<hr/>	<hr/>
At 31 March 2025	835,539	583,013	1,418,552
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>			
At 1 April 2024	396,552	401,837	798,389
Charge for the year	84,557	95,563	180,120
	<hr/>	<hr/>	<hr/>
At 31 March 2025	481,109	497,400	978,509
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>			
At 31 March 2025	354,430	85,613	440,043
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>At 31 March 2024</i>	<i>434,245</i>	<i>163,780</i>	<i>598,025</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**16 Fixed assets: tangible assets (continued)**

<b>The charity</b>	Leasehold improvements	Office equipment & furniture	Total
	£	£	£
<b>Cost</b>			
At 1 April 2024	830,797	565,617	1,396,414
Additions	4,742	17,396	22,138
	<u>835,539</u>	<u>583,013</u>	<u>1,418,552</u>
At 31 March 2025	<u><u>835,539</u></u>	<u><u>583,013</u></u>	<u><u>1,418,552</u></u>
<b>Depreciation</b>			
At 1 April 2024	396,552	401,837	798,389
Charge for the year	84,557	95,563	180,120
	<u>481,109</u>	<u>497,400</u>	<u>978,509</u>
At 31 March 2025	<u><u>481,109</u></u>	<u><u>497,400</u></u>	<u><u>978,509</u></u>
<b>Net book value</b>			
At 31 March 2025	<u><u>354,430</u></u>	<u><u>85,613</u></u>	<u><u>440,043</u></u>
<i>At 31 March 2024</i>	<u><u>434,245</u></u>	<u><u>163,780</u></u>	<u><u>598,025</u></u>

**17 Investments**

	<b>The group</b>		<b>The charity</b>	
	2,025	2,024	2,025	2,024
	£	£	£	£
Investment in group undertakings	-	-	1	1
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1</u></u>	<u><u>1</u></u>

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

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**19 Debtors**

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	505,177	1,124,273	505,177	1,124,273
Prepayments	147,790	73,121	147,790	73,121
Accrued income	5,767	31,255	5,767	31,255
Other debtors	-	67,166	-	67,166
	<u>658,734</u>	<u>1,295,815</u>	<u>658,734</u>	<u>1,295,815</u>

**20 Creditors: amounts falling due within one year**

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	220,207	230,588	220,207	230,588
Accruals	123,322	98,054	123,322	98,054
Deferred income	288,223	370,242	288,223	370,242
Taxation and social security costs	321,243	286,540	321,243	286,540
	<u>952,995</u>	<u>985,424</u>	<u>952,995</u>	<u>985,424</u>

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

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**21 Analysis of movements in restricted funds**

**Current reporting period**

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Children in Need 21-24	1,983	19,445	(20,505)	-	923
Turnaround	-	146,986	(146,986)	-	-
Early Intervention	-	45,000	(45,000)	-	-
Services Grant	-	-	-	-	-
EIP Household support grant	-	18,500	(18,500)	-	-
Welfare Hub	-	216,585	(205,953)	368	11,000
Young Carers - HAF	-	18,223	(18,223)	-	-
Community Safety Funding	-	40,000	(40,000)	-	-
<b>Total</b>	<b>1,983</b>	<b>504,739</b>	<b>(495,167)</b>	<b>368</b>	<b>11,923</b>

**Previous reporting period**

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

**Name**

**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
Early Intervention	Early Intervention and Prevention grant programme
EIP Household support	Oldham Cost-of-Living Household Support Fund
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 2025 (continued)**

**22 Analysis of movement in group unrestricted funds**

**Current period**

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	As at 31 March 2025 £
General fund	2,526,447	6,192,913	(6,304,869)	(368)	2,414,123
Pension reserve	-	-	-	-	-
<b>Total general funds</b>	<b>2,526,447</b>	<b>6,192,913</b>	<b>(6,304,869)</b>	<b>(368)</b>	<b>2,414,123</b>
Project Shortfall	170,000	-	-	-	170,000
<b>Total designated funds</b>	<b>170,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170,000</b>
<b>Total unrestricted funds</b>	<b>2,696,447</b>	<b>6,192,913</b>	<b>(6,304,869)</b>	<b>(368)</b>	<b>2,584,123</b>

**Prior period**

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

<b>Name of</b>	<b>Description, nature and purposes of the fund</b>
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 2025 (continued)**

**23 Analysis of group net assets between funds**

**Current reporting period**

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	440,043	-	-	440,043
Net current assets/(liabilities)	1,974,081	170,000	11,923	2,156,003
<b>Total</b>	<b>2,414,124</b>	<b>170,000</b>	<b>11,923</b>	<b>2,596,046</b>

**Previous reporting period**

	<i>General fund £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total £</i>
<i>Tangible fixed assets</i>	<i>598,025</i>	<i>-</i>	<i>-</i>	<i>598,025</i>
<i>Net current assets/(liabilities)</i>	<i>1,928,422</i>	<i>170,000</i>	<i>1,983</i>	<i>2,100,405</i>
<b>Total</b>	<b>2,526,447</b>	<b>170,000</b>	<b>1,983</b>	<b>2,698,430</b>

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**24 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	
	2025	2024	2025	2024
	£	£	£	£
<b><i>Land and buildings:</i></b>				
Less than one year	230,978	120,000	230,978	120,000
One to five years	693,613	480,000	693,613	480,000
Over five years	-	67,068	-	67,068
	924,591	667,068	924,591	667,068
	924,591	667,068	924,591	667,068

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 £243,103 (2024: £264,700).

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

	2025	2024
	£	£
<b>Net income/(expenditure) for the year</b>	(37,384)	64,590
<b>Adjustments for:</b>		
Depreciation charge and disposals	180,120	194,796
Dividends, interest and rents from investments	(240,552)	(155,451)
Decrease/(increase) in debtors	637,081	(187,631)
Increase/(decrease) in creditors	(32,429)	183,082
Pension scheme adjustments	(65,000)	44,000
	441,836	143,386
<b>Net cash provided by/(used in) operating activities</b>	441,836	143,386

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**26 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 2025. The significant assumptions used by the actuary have been as below.

**Key assumptions**

	2025	2024
	%pa	%pa
Discount rate	5.80	4.85
Expected rate of increase of pensions in payment	2.75	2.75
Expected rate of salary increases	3.55	3.55

**Mortality assumptions**

	2025	2024
	years	years

**Assumed life expectations on retirement at aged 65:**

Retiring today:		
- Males	20.3	20.4
- Females	23.3	23.3
Retiring in 20 years		
- Males	21.3	21.4
- Females	24.8	24.8

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (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.

	2024/2025		2023/2024	
	Approximate % 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%	470	2%	584
1 year increase in member life expectancy	4%	955	4%	1,119
0.1% increase in Salary Increase Rate	0%	18	0%	21
0.1% Increase in the Pension Increase Rate (CPI)	2%	465	2%	574

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% (2024: 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 2025 (continued)**

**27 Retirement benefit scheme (continued)**

*Impact on the accounts*

	2025	2024
	£	£
The amounts charged or (credited) in the Statement of Financial Activities are as follows:		
Current service cost	274,000	336,000
Net interest on defined benefit liability	-	-
Past service cost	-	74,000
	<u>274,000</u>	<u>410,000</u>
Other recognised (gains) or losses:		
Actuarial return on scheme assets	316,000	(1,016,000)
Effect of the asset ceiling	(12,683,000)	(10,014,000)
Less: calculated interest element	-	-
	<u>(12,367,000)</u>	<u>(11,030,000)</u>
Actuarial changes relating to obligations	<u>(5,168,000)</u>	<u>(1,100,000)</u>
Restriction on recognition of scheme asset	17,600,000	12,096,000
Total cost/(income)	<u><u>(17,535,000)</u></u>	<u><u>(12,130,000)</u></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	(23,872,000)	(27,963,000)
Fair value of plan assets	41,472,000	40,059,000
	<u>17,600,000</u>	<u>12,096,000</u>
Surplus/ (deficit) in scheme	<u>17,600,000</u>	<u>12,096,000</u>
Restriction on recognition of scheme asset	<u>(17,600,000)</u>	<u>(12,096,000)</u>
Net asset/ (liability) recognised on the balance sheet	<u><u>-</u></u>	<u><u>-</u></u>

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**27 Retirement benefit scheme (continued)**

*Impact on the accounts (continued)*

The present value of the defined benefit obligation as at 31st March 2025 is less than the fair value of plan assets at that date. As such the plan is in a surplus position of £17,600,000 as at 31st March 2025. 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 2025.

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 46 years
- ii. discount rate of 5.8% p.a. and salary increase of 3.55% p.a. from the Employer's 31 March 2025 accounting report.
- 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 2025/2026 financial year to be paid by the entity will be £194k.

The results of the instructed calculations are:

	£
Annuity (in perpetuity) x 2025/26 future service costs: 46 * £298k	8,924,000
Annuity (in perpetuity) x future service element employer contribution: 46 * £306k	(14,076,000)
	_____
Net present value of any economic benefits available in the form of refunds or reductions in future contributions to the plan.	(5,152,000)
	=====

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (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 an 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)	(65,000)	44,000
Current service cost	(274,000)	(336,000)
Net interest on defined benefit liability	(1,349,000)	(1,321,000)
Past service cost	-	(74,000)
	<hr/>	<hr/>
(Increase)/decrease in liability	(1,688,000)	(1,687,000)
	<hr/> <hr/>	<hr/> <hr/>

***Movements in the present value of defined benefit obligations***

Liabilities brought forward	27,963,000	27,914,000
Current service cost	274,000	336,000
Past service cost	-	74,000
Benefits paid	(644,000)	(678,000)
Contributions from scheme members	98,000	106,000
Remeasurements:		
Changes in financial assumptions	(4,864,000)	(1,836,000)
Changes in demographic assumptions	(48,000)	(180,000)
Other experience	(256,000)	906,000
Interest cost on defined benefit obligations	1,349,000	1,321,000
	<hr/>	<hr/>
Liabilities carried forward	23,872,000	27,963,000
	<hr/> <hr/>	<hr/> <hr/>

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (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	23,872,000	27,963,000
	<hr/>	<hr/>
	23,872,000	27,963,000

***Movement in the fair value of plan assets***

Opening fair value of the scheme assets	40,059,000	37,474,000
Interest income on plan assets	1,937,000	1,775,000
Contributions by employer	338,000	366,000
Contributions by members	98,000	106,000
Benefits paid	(644,000)	(678,000)
Other experience	-	-
Return on assets excluding amounts included in net interest	(316,000)	1,016,000
	<hr/>	<hr/>
	41,472,000	40,059,000
	<hr/> <hr/>	<hr/> <hr/>

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

	%	%
Equities	63	68
Bonds	18	15
Property	9	9
Cash	10	8

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

	£	£
Equities	26,127,360	25,026,510
Bonds	7,464,960	5,602,950
Property	3,732,480	2,988,240
Cash	4,147,200	3,735,300
	<hr/>	<hr/>
	41,472,000	37,353,000
	<hr/> <hr/>	<hr/> <hr/>

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (continued)**

**27 Retirement benefit scheme (continued)**

**Review of the 2025 results**

**Assets**

In the year ending 31 March 2025, 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 2025, the net discount rate (discount rate net of CPI inflation has increased compared to 31st March 2024.
Changes in demographic assumptions	The principal demographic assumption is the longevity assumption (i.e. member life expectancy). A 1 year increase in member life expectancy is calculated to leading to an approximate 4% increase in the Defined Benefit Obligation.
Changes in other experience	There is a gain (reduction in obligations) from applying the actual Pensions Increase Order for April 2024 of 1.7%, noting this is lower than the expected CPI assumption.

**Positive Steps Oldham**  
**Notes to the accounts for the year ended 31 March 2025 (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. Positive Steps anticipates paying £338,000 in expected employer's contributions to the scheme in 2025/26.

***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.