

POSITIVE STEPS OLDHAM

England & Wales · Charity number 1017247

Details

Other names	NEXT STEPS OLDHAM, OLDHAM COMPACT, OLDHAM EDUCATION, BUSINESS AND GUIDANCE SERVICES
Status	Registered
Legal form	Charitable company
Company number	02563094
Registered	1993-02-09
Register	View on the Charity Commission register

Contact

Address	Positive Steps 80 Union Street Oldham OL1 1DJ
Phone	01616219370
Email	info@positive-steps.org.uk
Website	www.positive-steps.org.uk

Activities

Objects: (A) TO ADVANCE THE EDUCATION AND TRAINING OF YOUNG PEOPLE IN ORDER TO PREPARE THEM FOR WORKING AND ADULT LIFE; (B) THE RELIEF OF UNEMPLOYMENT FOR THE PUBLIC BENEFIT IN SUCH WAYS AS MAY BE THOUGHT FITS, INCLUDING PROVIDING ASSISTANCE TO FIND EMPLOYMENT; (C) THE PROVISION OF RECREATIONAL FACILITIES FOR YOUNG PEOPLE IN THE INTERESTS OF SOCIAL WELFARE; (D) THE PROMOTION OF PUBLIC SAFETY; (E) THE PREVENTION OF CRIME AND THE REHABILITATION OF YOUNG OFFENDERS; (F) 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; (G) THE RELIEF OF SICKNESS AND THE PRESERVATION OF HEALTH AMONG PEOPLE RESIDING PERMANENTLY OR TEMPORARILY IN SUCH LOCATIONS AS THE COMPANY IS COMMISSIONED TO DELIVER SERVICES; (H) THE PROVISION OF SUPPORT AND ACTIVITIES WHICH DEVELOP THEIR SKILLS, CAPACITIES AND CAPABILITIES TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS MATURE AND RESPONSIBLE INDIVIDUALS; (I) 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.

Activities: As an independent sector organisation, PSO is unique in England in the way it provides a range of integrated support services for young people. Its organisational mission is: To provide an integrated range of advice, information, guidance and support services which enable all individuals in Oldham and neighbouring boroughs to realise their full potential in work and life.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- Oldham
- Rochdale
- Tameside

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,697,652	£6,735,036	£2,596,046	149
2024-03-31	£6,345,451	£6,280,861	£2,698,430	144
2023-03-31	£6,211,972	£6,436,103	£2,589,840	128
2022-03-31	£5,630,079	£6,435,122	£-4,709,310	130
2021-03-31	£6,197,570	£7,008,758	£-11,134,985	155

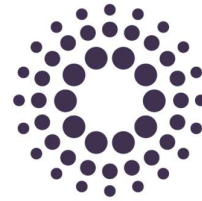
Trustees

Name	Role	Appointed
Joanne Marie Forsdike	Chair	2016-10-06
Aisha Mahmood		2025-03-18
Hannah Jane Roberts		2014-07-11
Hayley Harewood		2023-11-17
Holly Louise Harrison		2023-10-12
Iffat Parveen		2025-03-18
Kenneth Rustidge		2025-05-28
Mezreet Rasul		2022-08-30
Umar Nasheen		2023-07-04
Vinesh Mistry		2022-08-30
Zack Colin Maher		2025-03-18

POSITIVE STEPS OLDHAM

England & Wales - Charity number 1017247

Accounts



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

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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 st April 2023)	Independent	
Ms Hannah Jane Roberts	Independent	
Mr Vinesh Mistry	Independent	
Ms Mezreet Rasul	Independent	
Mrs Nicola Jane Robinson	Independent	Resigned 1 st April 2025
Cllr Diane Tracey Williamson	Oldham Council	Appointed 20 th 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 th August 2024
Iffat Parveen	Independent	Appointed 18 March 2025
Patrice Ann Byrne	Oldham Council	Resigned 22 nd 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
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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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 31st 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 st March 2026	Successful
Oldham	31 st 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 Medtia 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. 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>
Income from:							
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
Total income		6,192,913	504,739	6,697,652	5,968,788	376,663	6,345,451
Expenditure on:							
Raising funds	7	-	-	-	-	-	-
Charitable activities	8	6,239,869	495,167	6,735,036	5,893,508	387,353	6,280,861
Total expenditure		6,239,869	495,167	6,735,036	5,893,508	387,353	6,280,861
Net income/(expenditure)	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
Net movement in funds		(112,324)	9,940	(102,384)	119,280	(10,690)	108,590
Reconciliation of funds							
Total funds brought forward		2,696,447	1,983	2,698,430	2,577,167	12,673	2,589,840
Total funds carried forward		2,584,123	11,923	2,596,046	2,696,447	1,983	2,698,430

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 £
Fixed assets					
Tangible assets	15	440,043	598,025	440,043	598,025
Investments	17	-	-	1	1
Total fixed assets		440,043	598,025	440,044	598,026
Current assets					
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
Total current assets		3,108,998	3,085,829	3,108,997	3,085,828
Liabilities					
Creditors: amounts falling due in less than one year	20	(952,995)	(985,424)	(952,995)	(985,424)
Net current assets		2,156,003	2,100,405	2,156,002	2,100,404
Total assets less current liabilities		2,596,046	2,698,430	2,596,046	2,698,430
Net assets excluding pension liability		2,596,046	2,698,430	2,596,046	2,698,430
Defined benefit pension scheme asset/ (liability)	26	-	-	-	-
Net assets/ (liabilities)		2,596,046	2,698,430	2,596,046	2,698,430
Funds of the charity:					
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
Total charity funds/ (deficit)		2,596,046	2,698,430	2,596,046	2,698,430

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 £
Cash provided by/(used in) operating activities	25	441,836	143,386
<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)
Cash provided by/(used in) investing activities		218,414	119,856
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
Total cash equivalents at the end of the year		2,450,264	1,790,014

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>
Allocated as follows:						
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)

10	Net income/(expenditure) for the year	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:

		149	144
	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
	<u>248,154</u>	<u>272,527</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 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

The group	Leasehold improvements	Office equipment & furniture	Total
	£	£	£
Cost			
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/>
Depreciation			
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/>
Net book value			
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)

The charity	Leasehold improvements	Office equipment & furniture	Total
	£	£	£
Cost			
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>
Depreciation			
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>
Net book value			
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

	The group		The charity	
	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)	-	-
Total	1,983	504,739	(495,167)	368	11,923

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)	-	-
Total	12,673	376,663	(387,353)	-	1,983

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	-	-	-	-	-
Total general funds	2,526,447	6,192,913	(6,304,869)	(368)	2,414,123
Project Shortfall	170,000	-	-	-	170,000
Total designated funds	170,000	-	-	-	170,000
Total unrestricted funds	2,696,447	6,192,913	(6,304,869)	(368)	2,584,123

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>	-	-	-	-	-
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

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 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
Total	2,414,124	170,000	11,923	2,596,046

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>
Total	2,526,447	170,000	1,983	2,698,430

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
	£	£	£	£
<i>Land and buildings:</i>				
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
	£	£
Net income/(expenditure) for the year	(37,384)	64,590
Adjustments for:		
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
Net cash provided by/(used in) operating activities	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>(17,535,000)</u>	<u>(12,130,000)</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	(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>

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)
	(5,152,000)
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.

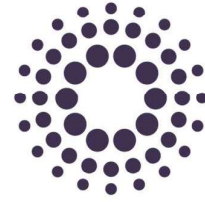
In terms of the above cash contributions that need to be paid into the fund, an employer's accounting valuation position has no effect. Under FRS102, the purpose is to facilitate consistent comparison of pension positions between employers.

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.

POSITIVE STEPS OLDHAM

England & Wales - Charity number 1017247

Accounts



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

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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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Youth Justice Service

The rate of re-offending:		To Jun 22	To Jun 21
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	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

(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%

Young Carers

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FINANCIAL REVIEW

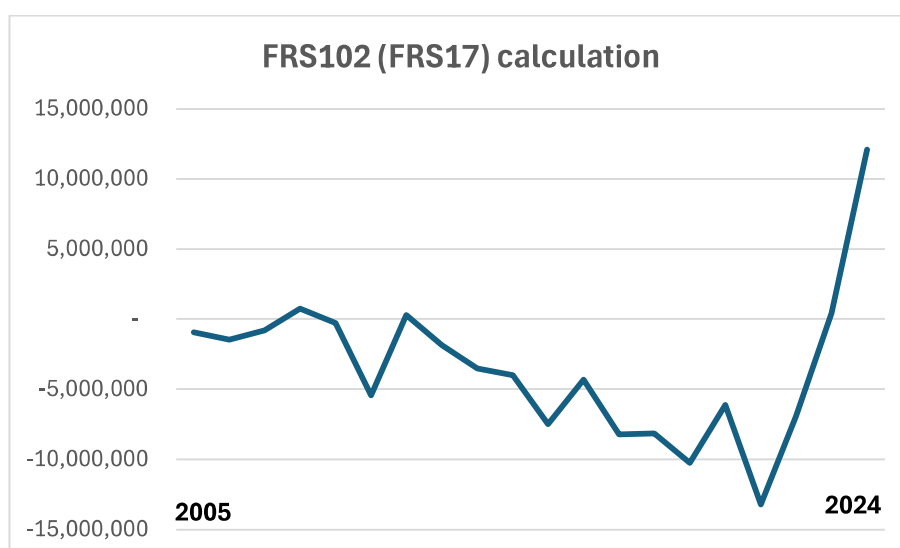
The Positive Steps Oldham Charity accounts for 2023 - 24 show overall income increasing from £6,212,000 in 2022-23 to £6,345,000, a 2.1% increase this year.

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's 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)

6 Investment income	Unrestricted	Restricted	Total 2024	Unrestricted	Restricted	Total 2023
	£	£	£	£	£	£
Income from bank deposits	37,442	-	37,442	13,473	-	13,473
Rent receivable	107,916	-	107,916	99,696	-	99,696
Room hire	10,093	-	10,093	7,123	-	7,123
	<u>155,451</u>	<u>-</u>	<u>155,451</u>	<u>120,292</u>	<u>-</u>	<u>120,292</u>
7 Cost of raising funds	Unrestricted	Restricted	Total 2024	Unrestricted	Restricted	Total 2023
	£	£	£	£	£	£
Activity costs - PSO Trading Limited	-	-	-	123,670	-	123,670
Staff costs - PSO Trading Limited	-	-	-	173,935	-	173,935
Pension scheme adjustments						
Current service costs less employer contribution	-	-	-	17,617	-	17,617
Net interest on the defined benefit pension liability	-	-	-	7,848	-	7,848
	<u>-</u>	<u>-</u>	<u>-</u>	<u>323,070</u>	<u>-</u>	<u>323,070</u>

Cost of raising funds relate to the cost of the trading subsidiary which was dormant in the current year.

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)
	<u>830,797</u>	<u>565,617</u>	<u>1,396,414</u>
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)
	<u>396,552</u>	<u>401,837</u>	<u>798,389</u>
Net book value			
At 31 March 2024	<u>434,245</u>	<u>163,780</u>	<u>598,025</u>
<i>At 31 March 2023</i>	<u>498,890</u>	<u>258,337</u>	<u>757,227</u>

17 Investments

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

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	(12,096,000)	(9,560,000)
	<u>-</u>	<u>-</u>
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.

POSITIVE STEPS OLDHAM

England & Wales - Charity number 1017247

Accounts



POSITIVE STEPS

SUPPORT | CHALLENGE | CHANGE

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED MARCH 2023



European Union
European
Social Fund



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REPORT OF THE TRUSTEES/DIRECTORS

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

Charity number:

1017247

Company number:

2563094

Chief Executive:

Stephanie Bolshaw (retired on 1st April 2023)

Paul Axon (with effect from 1st April 2023)

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. 25 High Street, Oldham, Lancashire, OL1 3AZ

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
Rina Dabhi	Director of Families & Communities
Cliff Shields	Director of Corporate Services & Company Secretary

TRUSTEES	REPRESENTING	
Ms Julie Anne Edmondson (Chair to 31st March 2023)	Independent	Resigned 31st March 2023
Mrs Joanne Marie Forsdike (Chair as from 1st April 2023)	Independent	
Cllr Diane Tracey Williamson	Oldham Council	Resigned 4th May 2023
Cllr Graham Shuttleworth	Oldham Council	Resigned 4th May 2023
Cllr Rosalynne Katya Birch	Oldham Council	Resigned 4th May 2023
Mr Vinesh Mistry	Independent	Appointed 30th August 2022
Ms Mezreet Rasul	Independent	Appointed 30th August 2022
Mrs Nicola Jane Robinson	Independent	
Ms Hannah Jane Roberts	Independent	

TRUSTEES	REPRESENTING	
Cllr Shaid Mushtaq	Oldham Council	Appointed 4th July 2023
Cllr Mohon Ali	Oldham Council	Appointed 4th July 2023 Resigned 12th September 2023
Cllr Patricia Byrne	Oldham Council	Appointed 4th July 2023
Cllr Umar Nasheen	Oldham Council	Appointed 4th July 2023
Cllr Abdul Malik	Oldham Council	Resigned 27th November 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Positive Steps Oldham is a company limited by guarantee governed by its Memorandum and Articles of Association which were redrafted and adopted by special resolution on 27th September 2016 having previously been amended 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 of whom agree 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 total up to twelve members: four elected members of Oldham Council: and eight from statutory partners – (e.g. education, health, crime and disorder) and/or “community” representatives from private business, training, the voluntary sector and/or who are independent 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 day-to-day operations of the company to the Chief Executive. Who is assisted by Directors and a number of senior managers with responsibility 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 2022-23 financial year, PS had a subsidiary company:

PSO Trading Limited was incorporated on 2nd June 2005 and commenced trading on 31 October 2005. The company is a wholly-owned subsidiary of the charity and was formed to provide a range of trading activities from the offices of the charity. These include ICT services and projects; work experience; cycle repair/resale and DBS services for smaller voluntary sector organisations. Any surplus or profit from these trading activities is transferred to PS under a gift-aid arrangement. As of 1st April 2023, PSO Trading Limited ceased trading and became dormant. The trustees deemed the level of activity and the nature of the work did not warrant a separate subsidiary.

Remuneration of key management personnel

The goal of our pay policy is 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 a Real Living Wage accredited body and this will override the Job Evaluation grades, where applicable.

OBJECTIVES AND ACTIVITIES

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

- To advance the education and training of young people in order to prepare them for working and adult life.
- The relief of unemployment for the public benefit in such ways as 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 such locations as the company is commissioned to deliver services.
- The provision of support and activities which develop their skills, capacities and capabilities to 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 biggest 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:

Young People Services

The work of this directorate focuses on Careers Guidance and Support

Oldham, Rochdale and Tameside local authorities commission information, advice and guidance (IAG) with young people who are at risk of becoming 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.

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.

Families Health and Wellbeing

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

OBJECTIVES AND ACTIVITIES

The Positive Steps service consists of staff and many more volunteers who support families in their own 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.

The Directorate delivers the Young Carers Service for Oldham which provides support for young people who have a caring responsibility at home – identifying and engaging these vulnerable young people and their families to help them to develop social confidence increasing opportunities for them to engage fully with peers and their community.

Corporate Services

The Directorate has a key role within the business, to provide corporate support and to develop the trading company, PSO Trading Ltd.

Organisational Support:

This service contains a blend of appropriately skilled and experienced staff that provide Business Intelligence; ICT; Information Governance; Finance; Human Resources; and Quality advice, support and guidance.

Service Delivery Support:

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

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

PSO Trading Ltd:

PSO Trading Ltd is a wholly-owned subsidiary of Positive Steps and any trading surpluses are covenanted into the Positive Steps charitable trust.

We support schools through traded services that organise work experience placements, sector visits, mock interviews and employer encounters. Our Positive Futures programme provides opportunities for young people who are not ready for work to gain valuable vocational experience in a range of activities – bicycle maintenance, DIY, environmental maintenance, hair salon and upcycling.

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

ACHIEVEMENTS AND PERFORMANCE



ACHIEVEMENTS AND PERFORMANCE

Positive Steps has a long history of hitting and exceeding targets and the past year has proved no exception. During the April 2022 to March 2023 period, we delivered a comprehensive, integrated range of services which helped young people, adults and families reach their full potential. Our approach throughout has been to understand and break down the barriers individuals face in reaching their goals.

EARLY INTERVENTION AND PREVENTION

1452

Families referred to the service

5467

Individuals referred to the service

3438

Under 18's referred to the service

127

Adult only referrals

2 YEAR OLD

604

Families received FREE childcare

YOUTH JUSTICE SERVICE

THE RATE OF RE-OFFENDING IN OLDHAM OF 25.9% WAS BETTER THAN THE FIGURES FOR GREATER MANCHESTER (33.4%), THE NORTH WEST (26.4%), ENGLAND (33.8%) AND OUR YJS FAMILY COMPARATORS (31.6%)

OUR CUSTODY RATE PER 1,000 OF THE AGE 10-17 POPULATION OF 0.15 IS LOWER THAN ALL OUR COMPARATORS

ACHIEVEMENTS AND PERFORMANCE

CAREER GUIDANCE & SUPPORT SERVICES

These are the Participation rates achieved :

95.6%

OLDHAM

95.6%

ROCHDALE

95.1%

TAMESIDE

YOUNG CARERS

665

REGISTERED WITH THE SERVICE

78.7%

PROGRESSED INTO LEARNING
AFTER YEAR 11

MISSING FROM HOME

86.25%

OF THE 1607 REPORTED CASES WERE INTERVIEWED
WITHIN 72 HOURS

VOLUNTEERING

4,491

HOURS OF SUPPORT TO THE PEOPLE ACCESSING
OUR SERVICE AREAS

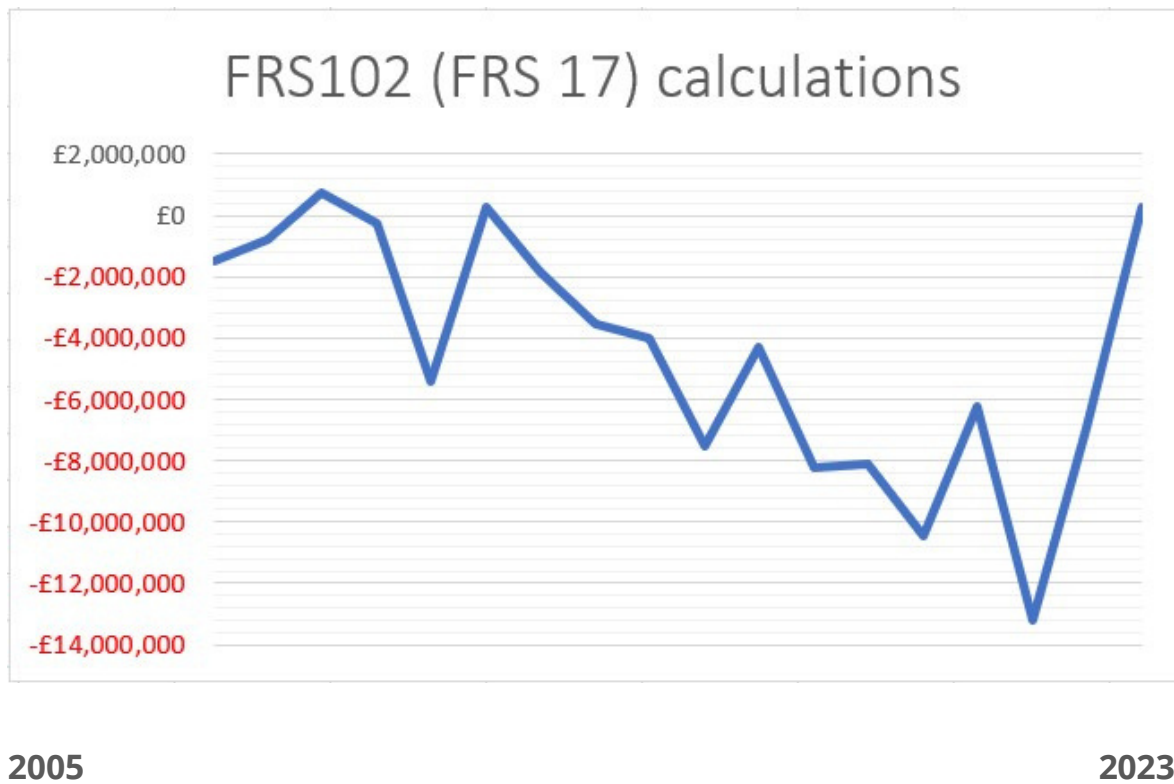
FINANCIAL REVIEW

The Positive Steps Oldham Charity accounts for 2022-23 show overall income increasing from £5,630,079 in 2021-22 to £6,211,972, this year an increase of 10.34%.

The accounts show, an operating deficit of £224,131. However, the FRS102 Pension Scheme adjustment of £7,566,000, results in a reported surplus of £7,341,869 for the year.

The figures presented in the GM Pension Fund's actuarial report are prepared only for the purposes of 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 important 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. The purpose of this valuation is to estimate what this cost will be, so that the Fund can then develop a funding strategy to meet it.

The pension asset and liability has featured in financial reports and statements since 2005, and has, following reassessment by the Greater Manchester Pension Scheme's independent actuary, improved from a deficit of £6,930,000 at 31st March 2022 to a balanced position at 31st March 2023. The FRS102 (FRS 17) calculations have continue to oscillate year on year with the following surpluses and deficits noted since the FRS102 (FRS 17) requirements were introduced in 2004-2005



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 £2,177,971 to 2,589,840.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

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, having regard to the liquidity requirements of operating the business of the Company 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 which matches or exceeds inflation measured by the retail price index.

RESERVES POLICY

In May 2022, the trustees approved the following Reserves Policy:

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

Fixed assets would not be included.

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

An Opportunity Reserve intended as a source of internal funds for organisational capacity building such as staff development, research and development, or investment in infrastructure that will build long-term capacity.

AN Operating Reserve 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. The Operating Reserve is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

A Pensions Liability Reserve intended to allow for future potential pension liabilities as a result of retirement on ill health grounds.

The set aside values for these reserves as at 31st March 2023 were:

Building and Capital Asset Reserve	£250,000
Opportunity Reserve	£500,000
Operating Reserve	£250,000
	<hr/>
	£1,000,000

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

PLANS FOR FUTURE PERIOD

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 to develop the services and enhance the proposition to each authority.

The Rochdale Young People's Support and Guidance Services has been extended to March 2025 .

The Tameside Careers Guidance and Support Service contract is due to be commissioned in December 2024.

The UK Government Community Renewal Fund Roots of Opportunity programme completed in December 2022 and funding as a sub-contracted partner for a Connect to Your Future project funded by European Social Funding continues until September 2023, some continuation funding through the UK Shared Prosperity Fund is expected through to March 2025.

During 2023/24 we will be looking to expand our range of commissioned services into existing and new geographical areas.

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 trading and will be dormant from 1st April 2023.

Future Ways of Working

We have embraced a hybrid model of working, all staff are enabled to work remotely and have been equipped with laptops, mobile phones and peripherals.

Reviews of working practices are ongoing, both to meet the demands of hybrid working and to improve efficiency. Continuing reduction of paper-based processes and the development of more ICT based processes are planned in 2023/24, including the development and launch of a new "digital front door".

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 with schemes for the recycling of waste, unwanted furniture and redundant ICT equipment alongside actions to reduce energy usage and ethical procurement.

In April 2020 we adopted our Environmental Policy that contains 12 objectives that focus our commitment to environmental sustainability.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees and Senior Managers remained mindful of the major 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 the development of a strategy to continue to diversify activities and seek to diversify business within the sub-region.

Internal control risks were minimised by the implementation of procedures for authorisation of all financial transactions. Contract negotiation with funding bodies is supported by external legal advice. Detailed procedures and protocols existed which supported grievance and disciplinary processes, which were 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 through enabling movement into other posts created as a result of new project demands. Staff turnover during the year, was above industry norms. Similar to all sectors recruiting new staff to vacancies and new roles continues to be a challenge and improved methods of online recruitment have been introduced. The easing of covid-19 restrictions and the uncertainty surrounding the cost of living crisis saw higher than expected turnover levels in 2023. The Strategic Group implemented a whole organisation job evaluation review in June 2023.

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 cover was maintained in relation to 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 procedures relating to finance, human resources, IT and professional practice were kept under constant review in the light of changes in legal requirements and improvements in professional standards.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

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;
-

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

In so far as the Trustees are aware at the time of approving this report:

There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and

The trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

COMPLIANCE WITH ACCOUNTING STANDARDS

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

- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

This report was approved by the board on 28th November 2023 and signed on its behalf by :



Joanne Forsdike

Trustee/Director

01 / 12 / 2023

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 2023 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 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 01 / 12 / 2023

Positive Steps Oldham
Consolidated Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Income from:							
Donations and legacies	3	180,841	-	180,841	173,842	-	173,842
Charitable activities	4	5,286,155	354,637	5,640,792	4,793,220	401,755	5,194,975
Other trading activities	5	270,047	-	270,047	204,418	-	204,418
Investments	6	120,292	-	120,292	56,844	-	56,844
Total income		5,857,335	354,637	6,211,972	5,228,324	401,755	5,630,079
Expenditure on:							
Raising funds	7	323,070	-	323,070	367,219	-	367,219
Charitable activities	8	5,706,955	406,078	6,113,033	5,630,134	440,533	6,070,667
Other expenditure	10	-	-	-	(2,763)	-	(2,763)
Total expenditure		6,030,025	406,078	6,436,103	5,994,590	440,533	6,435,123
Net income/(expenditure)	11	(172,690)	(51,441)	(224,131)	(766,266)	(38,778)	(805,044)
Remeasurement gain/(loss) on defined benefit pension plan	27	7,566,000	-	7,566,000	7,188,000	-	7,188,000
Net movement in funds		7,393,310	(51,441)	7,341,869	6,421,734	(38,778)	6,382,956
Reconciliation of funds							
Total funds brought forward		(4,816,143)	64,114	(4,752,029)	(11,237,877)	102,892	(11,134,985)
Total funds carried forward		2,577,167	12,673	2,589,840	(4,816,143)	64,114	(4,752,029)

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 2023

		The Group		The Charity	
	Note	2023	2022	2023	2022
		£	£	£	£
Fixed assets					
Tangible assets	16	757,227	775,810	757,227	775,385
Investments	17	-	-	1	1
		<hr/>	<hr/>	<hr/>	<hr/>
Total fixed assets		757,227	775,810	757,228	775,386
Current assets					
Stock		-	-	-	-
Debtors	20	1,108,183	755,500	1,108,183	1,046,823
Cash at bank and in hand		1,526,773	1,446,842	1,526,772	1,169,221
		<hr/>	<hr/>	<hr/>	<hr/>
Total current assets		2,634,956	2,202,342	2,634,955	2,216,044
Liabilities					
Creditors: amounts falling due in less than one year	21	(802,343)	(800,181)	(802,343)	(770,740)
		<hr/>	<hr/>	<hr/>	<hr/>
Net current assets		1,832,613	1,402,161	1,832,612	1,445,304
		<hr/>	<hr/>	<hr/>	<hr/>
Total assets less current liabilities		2,589,840	2,177,971	2,589,840	2,220,690
		<hr/>	<hr/>	<hr/>	<hr/>
Net assets excluding pension liability		2,589,840	2,177,971	2,589,840	2,220,690
Defined benefit pension scheme asset/ (liability)	27	-	(6,930,000)	-	(6,930,000)
		<hr/>	<hr/>	<hr/>	<hr/>
Net assets/ (liabilities)		2,589,840	(4,752,029)	2,589,840	(4,709,310)
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Funds of the charity:					
Restricted income funds	22	12,673	64,114	12,673	64,114
Unrestricted income funds:					
General	23	2,577,167	2,113,857	2,577,167	2,156,576
Pension reserve	23	-	(6,930,000)	-	(6,930,000)
		<hr/>	<hr/>	<hr/>	<hr/>
Total charity funds/ (deficit)		2,589,840	(4,752,029)	2,589,840	(4,709,310)
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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 48 form part of these accounts.


28th November 2023

Approved by the trustees on


Joanne Forsdike (Trustee)

Hannah Roberts
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 2023

	Note	2023 £	2022 £
Cash provided by/(used in) operating activities	26	134,495	(459,577)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		120,292	56,844
Purchase of tangible fixed assets		(174,856)	(6,424)
Cash provided by/(used in) investing activities		(54,564)	50,420
Increase/(decrease) in cash and cash equivalents in the year		79,931	(409,157)
Cash and cash equivalents at the beginning of the year		1,446,842	1,855,999
Total cash equivalents at the end of the year		1,526,773	1,446,842

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2023

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.

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's 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. This estimate is subject to significant variances based on change to the underlying assumptions. 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 2023 (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 2023 (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 2023 (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 12. 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 2023 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2022</i> £
Refurbishment contribution from landlord	144,684	-	144,684	144,684	-	144,684
Donations	8,907	-	8,907	1,908	-	1,908
In kind donation: Property Lease	27,250	-	27,250	27,250	-	27,250
	<u>180,841</u>	<u>-</u>	<u>180,841</u>	<u>173,842</u>	<u>-</u>	<u>173,842</u>

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2022</i> £
Young Peoples Services	3,993,940	292,951	4,286,891	3,470,268	385,593	3,855,861
Families Health and Wellbeing	1,292,215	61,686	1,353,901	1,322,952	16,162	1,339,114
	<u>5,286,155</u>	<u>354,637</u>	<u>5,640,792</u>	<u>4,793,220</u>	<u>401,755</u>	<u>5,194,975</u>

5 Income from other trading activities

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2022</i> £
Work experience	177,383	-	177,383	144,983	-	144,983
Projects	75,701	-	75,701	54,188	-	54,188
Other income (Placements and sundry sales)	16,963	-	16,963	5,247	-	5,247
	<u>270,047</u>	<u>-</u>	<u>270,047</u>	<u>204,418</u>	<u>-</u>	<u>204,418</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2023 (continued)

6 Investment income

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2022</i> £
Income from bank deposits	13,473	-	13,473	258	-	258
Rent receivable	99,696	-	99,696	37,110	-	37,110
Room hire	7,123	-	7,123	19,476	-	19,476
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	120,292	-	120,292	56,844	-	56,844
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7 Cost of raising funds

	Unrestricted £	Restricted £	2023 £	<i>Unrestricted</i> £	<i>Restricted</i> £	2022 £
Activity costs - PSO Trading Limited	123,670	-	123,670	147,029	-	147,029
Staff costs - PSO Trading Limited	173,935	-	173,935	179,218	-	179,218
Pension scheme adjustments						
Current service costs less employer contribution	17,617	-	17,617	28,596	-	28,596
Net interest on the defined benefit pension liability	7,848	-	7,848	12,376	-	12,376
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	323,070	-	323,070	367,219	-	367,219
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2023 (continued)

8 Analysis of expenditure on charitable activities

	Young Peoples Services £	Family, Health, and wellbeing £	Total 2023 £	Young Peoples Services £	Family, Health, and wellbeing £	Total 2022 £
Staff costs	2,708,931	852,996	3,561,927	2,475,596	828,036	3,303,632
Training and employee costs	8,812	2,668	11,480	3,990	510	4,500
Project costs	199,929	127,914	327,843	347,162	111,510	458,672
Travel, subsistence and transport	21,175	3,121	24,296	14,533	1,763	16,296
Rent and property costs	1,140	-	1,140	170	-	170
Stationery and administration	650	-	650	1,149	-	1,149
Telephone and data communications	572	-	572	-	-	-
Computer maintenance and software	-	-	-	-	-	-
Depreciation	113,012	35,637	148,649	118,829	39,746	158,575
Professional services	2,457	4,686	7,143	2,981	4,667	7,648
Pension scheme adjustments:						
Current service costs less employer contribution	273,975	86,395	360,370	395,001	132,120	527,121
Net interest on the defined benefit pension liability	122,044	38,485	160,529	170,961	57,183	228,145
Support costs (see note 9)	1,134,966	357,898	1,492,864	1,012,536	338,673	1,351,209
Governance costs (see note 9)	11,837	3,733	15,570	10,154	3,396	13,550
	<u>4,599,500</u>	<u>1,513,533</u>	<u>6,113,033</u>	<u>4,553,062</u>	<u>1,517,604</u>	<u>6,070,667</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2023 (continued)

9 Analysis of governance and support costs

	Support £	Governance £	Total 2023 £	Support £	Governance £	Total 2022 £
Staff costs	612,264	-	612,264	528,230	-	528,230
Pension scheme adjustments	89,637	-	89,637	120,762	-	120,762
Training and employee costs	36,988	-	36,988	17,547	-	17,547
Travel, Subsistence and Transport Costs	6,656	-	6,656	-	-	-
Project costs	6,904	-	6,904	2,173	-	2,173
Telephone and data communication	38,324	-	38,324	36,847	-	36,847
Computer maintenance and software	246,887	-	246,887	226,894	-	226,894
Stationery and administration	23,489	-	23,489	19,471	-	19,471
Rent and property costs	342,932	-	342,932	332,405	-	332,405
Depreciation	25,580	-	25,580	25,302	-	25,302
Professional services	37,745	-	37,745	41,577	-	41,577
Loss on Disposal	18,785	-	18,785	-	-	-
Bad debt write off	6,674	-	6,674	-	-	-
Audit and accountancy	-	15,569	15,569	-	13,550	13,550
	<u>1,492,865</u>	<u>15,569</u>	<u>1,508,434</u>	<u>1,351,208</u>	<u>13,550</u>	<u>1,364,758</u>
Allocated as follows:						
Cost of raising funds	-	-	-	-	-	-
Young Peoples Services	1,134,966	11,837	1,146,803	1,012,536	10,154	1,022,690
Family, Health, and Wellbeing	357,898	3,733	361,631	338,673	3,396	342,069
	<u>1,492,864</u>	<u>15,570</u>	<u>1,508,434</u>	<u>1,351,209</u>	<u>13,550</u>	<u>1,364,759</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 2023 (continued)

10 Other expenditure

	2023	2022
	£	£
<i>Early Help Restructuring</i>		
Redundancy costs	-	-
Pension strain costs	-	-
	-	-
<i>Corporate Restructuring</i>		
Redundancy costs	-	-
Pension strain costs	-	(2,763)
	-	(2,763)
	-	(2,763)
<i>Total Restructuring Costs</i>	-	(2,763)

Current Year

No expenditure relating to restructuring in the current year

Prior Year

Current year expenditure relates to the difference between the expected pension strain costs accrual as at 31st March 2021 and the actual cost incurred during the current financial year.

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

11 Net income/(expenditure) for the year	2023 £	2022 £
This is stated after charging/(crediting):		
Depreciation	174,654	184,574
Loss on disposal of fixed assets	18,785	-
Defined benefit pension costs:		
Current year service costs	852,000	1,053,000
Past service cost	-	131,000
Net interest	196,000	277,000
Restructuring costs (as note 10 above)	-	(2,763)
Movement in holiday pay accrual	(35,950)	(43,183)
Operating lease rentals: Land and buildings	120,000	120,000
Auditor's remuneration - audit fees	10,500	9,000
Auditor's remuneration - accountancy fees	5,069	3,400

12 Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	3,589,589	3,283,489
Social security costs	338,736	290,116
Pension costs	455,751	483,421
Movement in holiday pay accrual	(35,950)	(43,183)
Redundancy costs	-	(2,763)
	4,348,126	4,011,080

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

Charitable activities	123	125
Raising funds	5	5
	128	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	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	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 £351,526 (2022: £310,488).

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

13 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 (2022: 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.

A £200 (2022: Nil) unrestricted donation was received from a trustee during the year, there were no further donations received from related parties in the year.

Stephanie Bolshaw, the CEO (up to 31 March 2023), is a trustee of Mahdlo (Oldham Youth Zone), charity number 1134427. During the year, the group supplied services and equipment to Mahdlo for £17,793 (2021: £20,074). A balance of £Nil (2022:£8,802) was owed as at year end from Mahdlo to the group.

Four trustees are also Oldham Metropolitan Borough Councillors. During the year, the charity was paid £2,811,150 (2021: 2,769,370) by the council for services. The charity also paid £18,815 (2022: £22,394) 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:

	2023	2022
	£	£
Payroll costs re-charged to the subsidiary	174,146	180,160
Other costs recharged to the subsidiary	47,770	46,718
Write off of costs owed by the subsidiary	(56,503)	-
Charges by subsidiary to parent charity	-	(85,967)

As at 31 March 2023 the subsidiary owed the parent charity £nil (2022: £371,371).

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 (2022: nil).

14 Government grants

The government grants recognised in the accounts were as follows:

	2023	2022
	£	£
Children in Need	37,021	16,162
Early Intervention Services	45,000	45,000
Turnaround	58,733	-
Young Carers- HAF	9,157	1,128
Roots of Opportunities	189,218	385,593
	<u>339,129</u>	<u>447,883</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 2023 (continued)

15 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:

	2023 £	2022 £
UK corporation tax at 19% (2022: 19%)	-	-
	-	-

16 Fixed assets: tangible assets

The group

	Leasehold improvements £	Office equipment & furniture £	Total £
Cost			
At 1 April 2022	832,702	508,950	1,341,652
Additions	42,581	132,275	174,856
Disposals	(70,488)	(3,866)	(74,354)
	804,795	637,359	1,442,154
Depreciation			
At 1 April 2022	272,158	293,684	565,842
Charge for the year	85,854	88,800	174,654
Disposals	(51,736)	(3,833)	(55,569)
	306,276	378,651	684,927
Net book value			
At 31 March 2023	498,519	258,708	757,227
<i>At 31 March 2022</i>	560,544	215,266	775,810

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

16 Fixed assets: tangible assets (continued)

The charity	Leasehold improvements	Office equipment & furniture	Total
	£	£	£
Cost			
At 1 April 2022	832,702	505,698	1,338,400
Additions	42,581	132,275	174,856
Disposals	(70,486)	(617)	(71,103)
	<u>804,797</u>	<u>637,356</u>	<u>1,442,153</u>
Depreciation			
At 1 April 2022	272,156	290,859	563,015
Charge for the year	85,854	88,375	174,229
Disposals	(52,103)	(215)	(52,318)
	<u>305,907</u>	<u>379,019</u>	<u>684,926</u>
Net book value			
At 31 March 2023	<u>498,890</u>	<u>258,337</u>	<u>757,227</u>
At 31 March 2022	<u>560,546</u>	<u>214,839</u>	<u>775,385</u>

17 Investments

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Investment in group undertakings	-	-	1	1
	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</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 is used for non-primary purpose trading activities. 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 2023 (continued)

18 Subsidiary undertaking (continued)

	2023	2022
	£	£
Profit and loss account		
Turnover	257,718	289,124
Administration costs	(297,604)	(326,247)
Other operating income	82,603	27,250
	£42,717	(£9,873)
	£1	(£42,716)
Balance sheet		
Fixed assets	-	424
Current assets	1	357,672
Creditors due in less than one year	-	(400,812)
	£1	(£42,716)
	£1	(£42,716)
Called up share capital	1	1
Profit and loss account	-	(42,717)
	£1	(£42,716)
	£1	(£42,716)

The activities of the trading subsidiary PSO Trading Limited were transferred to the parent charity as at 01/04/2023 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:

	2023	2022
	£	£
Gross income	6,148,919	5,640,994
Net surplus/(deficit)	(260,173)	(795,171)
Actuarial (losses)/gains on defined benefit pension scheme	6,990,000	7,188,000
Net movement in funds	6,729,827	6,392,829
	£1	(£42,716)

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

20 Debtors

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	884,699	584,435	884,699	517,556
Amounts owed by subsidiary undertaking	-	-	-	371,372
Prepayments	26,604	105,348	26,604	105,348
Accrued income	196,880	65,717	196,880	52,547
	<u>1,108,183</u>	<u>755,500</u>	<u>1,108,183</u>	<u>1,046,823</u>

21 Creditors: amounts falling due within one year

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	173,701	162,106	173,701	162,076
Accruals	82,019	245,405	82,019	230,815
Deferred income	236,146	292,329	236,146	280,953
Taxation and social security costs	310,477	100,341	310,477	96,896
	<u>802,343</u>	<u>800,181</u>	<u>802,343</u>	<u>770,740</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 £54k (2022: £90k) in respect of a holiday pay accrual.

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

22 Analysis of movements in restricted funds

Current reporting period

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Children in Need 21-24	3,312	37,021	(29,262)	-	11,071
Community Renewal Fund: Roots of Opportunity	60,802	189,218	(250,020)	-	-
Turnaround	-	58,733	(57,131)	-	1,602
Early Intervention Services Grant	-	45,000	(45,000)	-	-
EIP Household support grant	-	24,665	(24,665)	-	-
Total	64,114	354,637	(406,078)	-	12,673

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

22 Analysis of movements in restricted funds

Previous reporting period

	<i>Balance at 1</i> <i>April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 1</i> <i>April 2022</i>
	£	£	£	£	£
<i>Barclays Covid</i>	85,967	-	(85,967)	-	-
<i>Children in Need 19-21</i>	16,925		(16,925)	-	-
<i>Children in Need 21-24</i>		16,162	(12,850)		3,312
<i>Community Renewal Fund: Roots of Opportunity</i>	-	385,593	(324,791)	-	60,802
Total	102,892	401,755	(440,533)	-	64,114

Name of restricted fund

Description, nature and purposes of the fund

Children in Need 21-24	Health and wellbeing project for young carers
Community Renewal Fund: Roots of Opportunity	Programme with a graduated approach to enable young people to contribute to the local environment and seek employment in the green economy.
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

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

23 Analysis of movement in group unrestricted funds

Current period

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	As at 31 March 2023 £
General fund	2,113,857	5,857,335	(6,030,025)	636,000	2,577,167
Pension reserve	(6,930,000)	-		6,930,000	-
	<u>(4,816,143)</u>	<u>5,857,335</u>	<u>(6,030,025)</u>	<u>7,566,000</u>	<u>2,577,167</u>
	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>As at 1 April 2022 £</i>
General fund	1,963,123	5,228,323	(5,994,589)	917,000	2,113,857
Pension reserve	(13,201,000)	-	-	6,271,000	(6,930,000)
	<u>(11,237,877)</u>	<u>5,228,323</u>	<u>(5,994,589)</u>	<u>7,188,000</u>	<u>(4,816,143)</u>

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

24 Analysis of group net assets between funds

Current reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	757,227	-	-	757,227
Net current assets/(liabilities)	1,819,940	-	12,673	1,832,613
Provision for pension liability	-	-	-	-
Total	<u>2,577,167</u>	<u>-</u>	<u>12,673</u>	<u>2,589,840</u>

Previous reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	775,810	-	-	775,810
Net current assets/(liabilities)	1,338,047	-	64,114	1,402,161
Provision for pension liability	-	(6,930,000)	-	(6,930,000)
Total	<u>2,113,857</u>	<u>(6,930,000)</u>	<u>64,114</u>	<u>(4,752,029)</u>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (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	
	2023	2022	2023	2022
	£	£	£	£
<i>Land and buildings:</i>				
Less than one year	120,000	<i>120,000</i>	120,000	<i>120,000</i>
One to five years	480,000	<i>480,000</i>	480,000	<i>480,000</i>
Over five years	187,068	<i>307,068</i>	187,068	<i>307,068</i>
	<hr/>	<hr/>	<hr/>	<hr/>
	787,068	<i>907,068</i>	787,068	<i>907,068</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	2023	2022
	£	£
Net income/(expenditure) for the year	(224,131)	<i>(805,044)</i>
Adjustments for:		
Depreciation charge and disposals	193,439	<i>184,574</i>
Dividends, interest and rents from investments	(120,292)	<i>(56,844)</i>
Decrease/(increase) in stock	-	<i>3,906</i>
Decrease/(increase) in debtors	(352,683)	<i>(414,023)</i>
Increase/(decrease) in creditors	2,162	<i>(289,147)</i>
Pension scheme adjustments	636,000	<i>916,999</i>
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	134,495	<i>(459,579)</i>
	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (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 2023. The significant assumptions used by the actuary have been as below.

Key assumptions

	2023	2022
	%pa	%pa
Discount rate	4.75	2.75
Expected rate of increase of pensions in payment	2.95	3.15
Expected rate of salary increases	3.75	3.90

Mortality assumptions

	2023	2022
	years	years

Assumed life expectations on retirement at aged 65:

Retiring today:		
- Males	20.5	20.3
- Females	23.5	23.2
Retiring in 20 years		
- Males	21.5	21.6
- Females	25	25.1

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (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 60% 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.

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

27 Retirement benefit scheme (continued)

Impact on the accounts

	2023	2022
	£	£
The amounts charged or (credited) in the Statement of Financial Activities are as follows:		
Current service cost	852,000	1,053,000
Net interest on defined benefit liability	198,000	277,000
Past service cost	-	131,000
	1,050,000	1,461,000
Other recognised (gains) or losses:		
Actuarial return on scheme assets	923,000	(3,064,000)
Less: calculated interest element	-	-
	923,000	(3,064,000)
Actuarial changes relating to obligations	(18,049,000)	(4,124,000)
Restriction on recognition of scheme asset	9,560,000	-
Total cost/(income)	(7,566,000)	(7,188,000)

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	(27,914,000)	(44,283,000)
Fair value of plan assets	37,474,000	37,353,000
	9,560,000	(6,930,000)
Surplus/ (deficit) in scheme	(9,560,000)	-
Restriction on recognition of scheme asset	-	(6,930,000)
Net asset/ (liability) recognised on the balance sheet	-	(6,930,000)

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

27 Retirement benefit scheme (continued)

Impact on the accounts (continued)

The present value of the defined benefit obligation as at 31st March 2023 is less than the fair value of plan assets at that date. As such the plan is in a surplus position of £9,560,000 as at 31st March 2023. 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 2023.

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

- i. future Working Lifetime of the Employer calculated as 8.5 as at the most recent triennial funding valuation
- ii. discount rate of 4.75% p.a. and salary increase of 3.75% p.a. from the Employer's 31 March 2023 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 2023/2024 financial year to be paid by the entity will be £412k.

The results of the instructed calculations are:

	£
Net present value of (employer) future service costs over the future working lifetime: 8.16 * £377k	3,076,000
Net present value of (employer) future contributions over the future working lifetime: 8.16 * £412k	(3,362,000)

Net present value of any economic benefits available in the form of refunds or reductions in future contributions to the plan.	(286,000)
	=====

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (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 £9.56m 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)	7,566,000	7,188,000
Current service cost	(852,000)	(1,053,000)
Contributions paid by employer	412,000	544,000
Net interest on defined benefit liability	(196,000)	(277,000)
Past service cost	-	(131,000)
	<hr/>	<hr/>
(Increase)/decrease in liability	6,930,000	6,271,000
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of defined benefit obligations

Liabilities brought forward	44,283,000	46,618,000
Current service cost	852,000	1,053,000
Past service cost	-	131,000
Benefits paid	(519,000)	(490,000)
Contributions from scheme members	124,000	132,000
Remeasurements:		
Changes in financial assumptions	(17,547,000)	(3,968,000)
Changes in demographic assumptions	80,000	(263,000)
Other experience	(582,000)	107,000
Interest cost on defined benefit obligations	1,223,000	963,000
	<hr/>	<hr/>
Liabilities carried forward	27,914,000	44,283,000
	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (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	27,914,000	44,283,000
	<hr/>	<hr/>
	27,914,000	44,283,000
	<hr/> <hr/>	<hr/> <hr/>
<i>Movement in the fair value of plan assets</i>		
Opening fair value of the scheme assets	37,353,000	33,417,000
Interest income on plan assets	1,027,000	686,000
Contributions by employer	412,000	544,000
Contributions by members	124,000	132,000
Benefits paid	(519,000)	(490,000)
Other experience	(552,000)	-
Return on assets excluding amounts included in net interest	(371,000)	3,064,000
	<hr/>	<hr/>
	37,474,000	37,353,000
	<hr/> <hr/>	<hr/> <hr/>

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

	%	%
Equities	68	67
Bonds	15	15
Property	9	8
Cash	8	10

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

	£	£
Equities	25,482,320	25,026,510
Bonds	5,621,100	5,602,950
Property	3,372,660	2,988,240
Cash	2,997,920	3,735,300
	<hr/>	<hr/>
	37,474,000	37,353,000
	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (continued)

27 Retirement benefit scheme (continued)

Review of the 2023 results

Assets

In the year ending 31 March 2023, investment returns have typically been lower than assumed (compared to last year's accounting discount rate assumption). As such, this has resulted in a £371,000 decrease in the fair value of the scheme assets.

As a result of basing the 31 March 2023 accounting figures on the updated triannual funding valuation results calculated as at 31st March 2022, there has been a reduction of £552,000 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 2023, the net discount rate (discount rate net of CPI inflation has significantly increased compared to 31st March 2022. This has resulted in an decrease to the liabilities of £17,547,000
Changes in demographic assumptions	Using a more up-to-date longevity assumption as at 31st March 2023 has resulted in an increase of the liability of £80,000
Changes in other experience: Pensions increase order	The loss (increase in obligations) resulting from applying the actual Pensions Increase Order for April 2023 of 10.1% to the benefits, as 10.1% is significantly higher than the pension increase rate assumption built into the obligations at the start of the accounting period. This has resulted in an increase in the funded obligations of £2,447,000
Changes in other experience: 2022 triannual funding valuation	As a result of basing the 31 March 2023 accounting figures on the 2022 funding valuation results, there has been a decrease in the liability of £1,865,000

Positive Steps Oldham
Notes to the accounts for the year ended 31 March 2023 (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 £412,000 in expected employer's contributions to the scheme in 2022/23.

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.

POSITIVE STEPS OLDHAM

England & Wales - Charity number 1017247

Accounts



POSITIVE STEPS

SUPPORT | CHALLENGE | CHANGE

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED MARCH 2022



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STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

REPORT OF THE TRUSTEES/DIRECTORS

The trustees/directors of Positive Steps Oldham (referred to as Positive Steps [PS] (the trading name), for the remainder of this report) present their twenty ninth Annual Report together with the financial statements. The directors or members of the board of the charitable company (the charity) are its trustees for the purpose of charity law. Throughout this report they are collectively referred to as the 'trustees'.

Charity number:

1017247

Company number:

2563094

Chief Executive:

Stephanie A Bolshaw

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. 25 High Street, Oldham, Lancashire, OL1 3AZ

Solicitors:

Napthens, Greenbank Court, Challenge Way, Greenbank Business Park, Blackburn, BB1 5QB

Key Management Personnel:

Stephanie A Bolshaw	Chief Executive
Paul Axon	Director of Young People's Services
Rina Dabhi	Director of Families & Communities
Cliff Shields	Director of Corporate Services & Company Secretary

TRUSTEES	REPRESENTING	
Mrs Joanne Marie Forsdike	Independent	
Mr Muzahid Khan	Independent	Resigned 31st May 2022
Cllr Diane Tracey Williamson	Oldham Council	Appointed 27th July 2021
Ms Julie Anne Edmondson (Chair)	Independent	
Ms Hannah Jane Roberts	Independent	
Mr Abdul Malik	Independent	Resigned 27th November 2022
Cllr Graham Shuttleworth	Oldham Council	
Cllr Rosalynne Katya Birch	Oldham Council	Appointed 27th July 2021
Cllr George Hulme	Oldham Council	Appointed 30th August 2022
Mr Vinesh Mistry	Independent	Appointed 30th August 2022
Ms Mezreet Rasul	Independent	Appointed 30th August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Positive Steps Oldham is a company limited by guarantee governed by its Memorandum and Articles of Association which were redrafted and adopted by special resolution on 27th September 2016 having previously been amended 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 of whom agree 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 total up to twelve members: four elected members of Oldham Council: and eight from statutory partners – (e.g. education, health, crime and disorder) and/or “community” representatives from private business, training, the voluntary sector and/or who are independent 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 day-to-day operations of the company to the Chief Executive. Who is assisted by Directors and a number of senior managers with responsibility 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 2021-22 financial year, PS had a subsidiary company:

PSO Trading Limited was incorporated on 2nd June 2005 and commenced trading on 31 October 2005. The company is a wholly-owned subsidiary of the charity and was formed to provide a range of trading activities from the offices of the charity. These include property hire: ICT services and projects; work experience; cycle repair/resale and DBS services for smaller voluntary sector organisations. Any surplus or profit from these trading activities is transferred to PS under a gift-aid arrangement.

Remuneration of key management personnel

The goal of our pay policy is 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 a Real Living Wage accredited body and this will override the Job Evaluation grades, where applicable.

OBJECTIVES AND ACTIVITIES

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

- To advance the education and training of young people in order to prepare them for working and adult life.
- To promote the industry/education partnerships with particular reference to young people in their last years of formal education.
- The relief of unemployment for the public benefit in such ways as may be thought fit, including assistance to find employment.
- The provision of educational and 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.
- Such other ancillary or incidental training or educational activities and other associated activities for the benefit of the community

During the year, the biggest 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:

Young People's Services

The work of this directorate focuses on two services – Careers Guidance and Support and Youth Justice and Prevention.

Careers Guidance and Support

Each local authority (Oldham, Rochdale and Tameside) funds information, advice and guidance (IAG) with young people who are at risk of becoming 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.

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.

Families and Communities

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

OBJECTIVES AND ACTIVITIES

The Positive Steps service consists of staff and many more volunteers who support families in their own 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.

The Directorate delivers the Young Carers Service for Oldham which provides support for young people who have a caring responsibility at home – identifying and engaging these vulnerable young people and their families to help them to develop social confidence increasing opportunities for them to engage fully with peers and their community.

Corporate Services

The Directorate has a key role within the business, to provide corporate support and to develop the trading company, PSO Trading Ltd.

Organisational Support:

This service contains a blend of appropriately skilled and experienced staff that provide Business Intelligence; ICT; Information Governance; Finance; Human Resources; and Quality advice, support and guidance.

Service Delivery Support:

This service provides the day-to-day support for operational service delivery. This includes Administrative Support; Communications & Marketing; Facilities; “Front of house”. In addition, a volunteers support service is delivered. Volunteers are integral to Positive Steps as a whole and we have successfully developed roles for volunteers; recruited and trained volunteers to work in all areas of the business. We strive to offer high quality and meaningful volunteering opportunities and offer an excellent training package and a range of opportunities including paid work.

PSO Trading Ltd:

PSO Trading Ltd is a wholly-owned subsidiary of Positive Steps and any trading surpluses are covenanted into the Positive Steps charitable trust.

We support schools through traded services that organise work experience placements, sector visits, mock interviews and employer encounters. Our Positive Futures programme provides opportunities for young people who are not ready for work to gain valuable vocational experience in a range of activities – bicycle maintenance, DIY, environmental maintenance, hair salon and upcycling.

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

ACHIEVEMENTS AND PERFORMANCE



ACHIEVEMENTS AND PERFORMANCE

Positive Steps has a long history of hitting and exceeding targets and the past year has proved no exception. During the April 2021 to March 2022 period, we delivered a comprehensive, integrated range of services which helped young people, adults and families reach their full potential. Our approach throughout has been to understand and break down the barriers individuals face in reaching their goals.

EARLY INTERVENTION AND PREVENTION

1331

Families referred to the service

4969

Individuals referred to the service

3027

Under 18's referred to the service

75

Adult only referrals

2 YEAR OLD

421

Families received FREE childcare

YOUTH JUSTICE SERVICE

THE RATE OF RE-OFFENDING IN OLDHAM OF 12.5% WAS BETTER THAN THE FIGURES FOR GREATER MANCHESTER (33.5%), THE NORTH WEST (33.0%), ENGLAND (32.3%) AND OUR YJS FAMILY COMPARATORS (32.2%)

OUR CUSTODY RATE PER 1,000 OF THE AGE 10-17 POPULATION OF 0.15 IS LOWER THAN ALL OUR COMPARATORS

ACHIEVEMENTS AND PERFORMANCE

CAREER GUIDANCE & SUPPORT SERVICES

These are the Participation rates achieved :

97.35%

OLDHAM

97.15%

ROCHDALE

95.76%

TAMESIDE

YOUNG CARERS

618

REGISTERED WITH THE SERVICE

100%

PROGRESSED INTO LEARNING
AFTER YEAR 11

MISSING FROM HOME

94.8%

OF THE 1405 REPORTED CASES WERE INTERVIEWED
WITHIN 72 HOURS

VOLUNTEERING

4,491

HOURS OF SUPPORT TO THE PEOPLE ACCESSING
OUR SERVICE AREAS

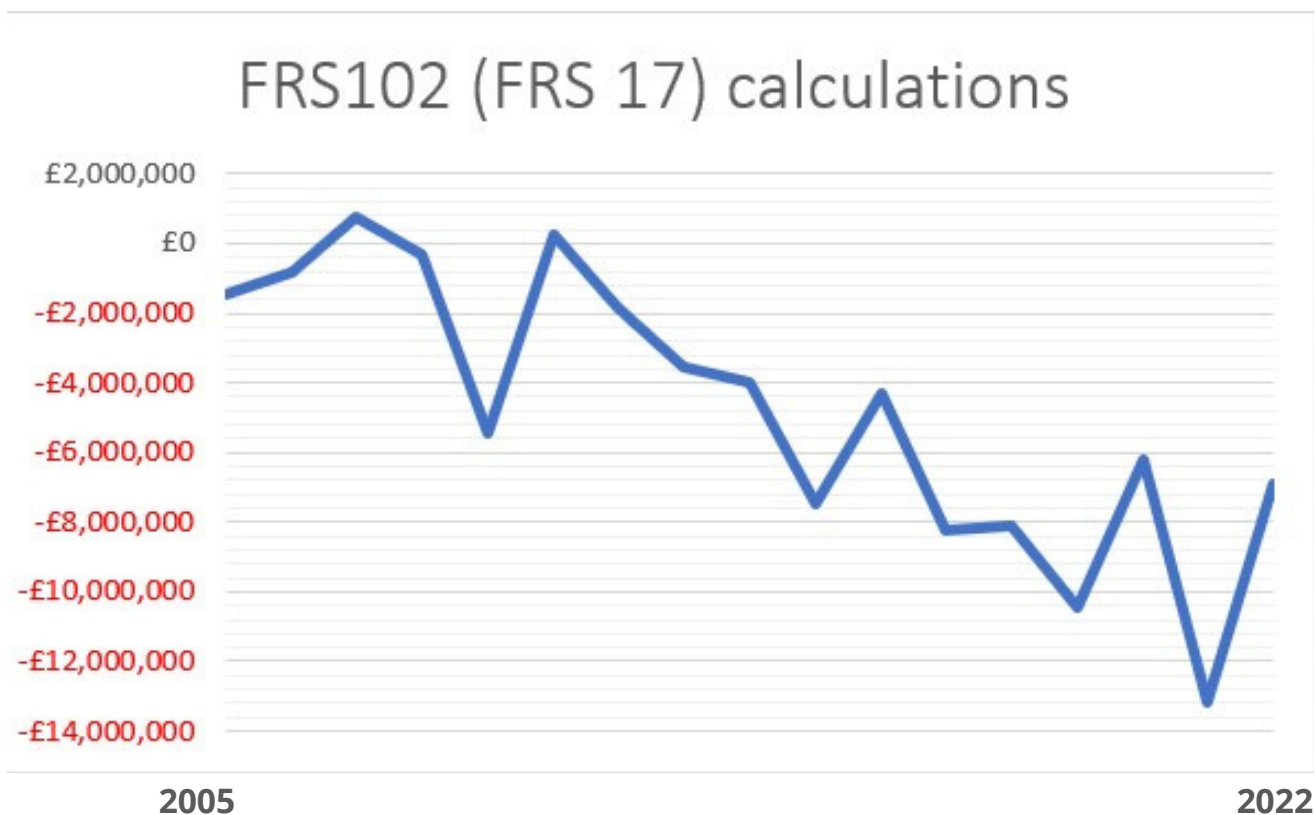
STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

The Positive Steps Oldham Charity accounts for 2021-22 show overall income decreasing from £6,197,570 in 2020-21 to £5,630,079, this year, a decrease of 9.2%. This was almost entirely attributable to the loss of two contracts within the Families and Communities directorate.

The accounts show, initially, an operating surplus of £111,957. However, the FRS102 Pension Scheme adjustment of £917,000, results in a reported deficit of £805,043 for the year.

The figures presented in the GM Pension Fund's actuarial report are prepared only for the purposes of 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 important 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. The purpose of this valuation is to estimate what this cost will be, so that the Fund can then develop a funding strategy to meet it.

The pension asset and liability has featured in financial reports and statements since 2005, and has, following reassessment by the Greater Manchester Pension Scheme's independent actuary, improved from a deficit of £13,201,000 on 31st March 2021 to a deficit of £6,930,000 on 31st March 2022. The FRS102 (FRS 17) calculations continue to oscillate year on year with the following surpluses and deficits noted since the FRS102 (FRS 17) requirements were introduced in 2004-2005



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 £2,066,015 to £2,177,971

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

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, having regard to the liquidity requirements of operating the business of the Company 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 which matches or exceeds inflation measured by the retail price index.

RESERVES POLICY

In May 2022, the trustees approved the following Reserves Policy:

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

Fixed assets would not be included.

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

An Opportunity Reserve intended as a source of internal funds for organisational capacity building such as staff development, research and development, or investment in infrastructure that will build long-term capacity.

A Operating Reserve 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. The Operating Reserve is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

A Pensions Liability Reserve intended to allow for future potential pension liabilities as a result of retirement on ill health grounds.

The set aside values for these reserves as at 31st March 2022 were:

Building and Capital Asset Reserve	£250,000
Opportunity Reserve	£500,000
Operating Reserve	£250,000
	<hr/>
	£1,000,000

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

PLANS FOR FUTURE PERIOD

Contracting/Funding activity

The Oldham Integrated Support Services for Oldham Young People's contract has been extended for a further 12 months until March 2023.

The Rochdale Young People's Support and Guidance Services has been retained to March 2023 with further potential extensions to March 2025.

The Tameside Careers Guidance and Support Service contract has also been extended for a further twelve months to December 2023.

We were successful in securing six-month lead partner funding through the UK Government Community Renewal Fund for the Roots of Opportunity programme that started in January 2022 and funding as a sub-contracted partner for a Connect to Your Future project funded by European Social Funding until September 2023.

During 2022/23 we will be looking to expand our range of commissioned services into existing and new geographical areas.

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, will be focussing on developing its range of services and expanding its existing customer base.

Future Ways of Working

We have embraced a hybrid model of working, all staff are enabled to work remotely and have been equipped with Chromebook laptops, mobile phones and peripherals.

Reviews of working practices are ongoing, both to meet the demands of hybrid working and to improve efficiency. Continuing reduction of paper-based processes and the development of more ICT based processes are planned in 2022/23, including the development and launch of a new "digital front door".

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 with schemes for the recycling of waste, unwanted furniture and redundant ICT equipment alongside actions to reduce energy usage and ethical procurement.

In April 2020 we adopted our Environmental Policy that contains 12 objectives that focus our commitment to environmental sustainability.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees and senior managers remained mindful of the major 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 the development of a strategy to continue to diversify activities and seek to diversify business within the sub-region.

Internal control risks were minimised by the implementation of procedures for authorisation of all financial transactions. Contract negotiation with funding bodies is supported by external legal advice. Detailed procedures and protocols existed which supported grievance and disciplinary processes, which were 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 through enabling movement into other posts created as a result of new project demands. Staff turnover and sickness absence, during the year, were below industry norms. Although similar to all sectors recruiting new staff to vacancies and new roles continues to be a challenge and improved methods of online recruitment have been introduced. The easing of covid-19 restrictions and the uncertainty surrounding the cost of living crisis have seen higher than expected turnover levels in 2022. The Strategic Group are investigating ways to improve staff rewards and retention and a whole organisation job evaluation review is to be undertaken in early 2023.

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 cover was maintained in relation to public and employer liability.

The company recognises two trade unions: Unison and GMB. Any proposed changes to terms and conditions of employment or other workplace issues were subject to full consultation.

All procedures relating to finance, human resources, IT and professional practice were kept under constant review in the light of changes in legal requirements and improvements in professional standards.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

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 accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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

In so far as the Trustees are aware at the time of approving this report:

There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and

The trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

COMPLIANCE WITH ACCOUNTING STANDARDS

The trustees confirm that the financial statements comply with current statutory requirements, the requirements of the company's memorandum and articles of association and the requirements of the Charities SORP (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 was approved by the board on 6th December 2022 and signed on its behalf by:

JA Edmondson

Julie Edmondson
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 2022 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 2022 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.

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

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

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.

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.

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

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 the treatment of the redundancy costs incurred in the year; 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;
- 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, treatment of restructuring costs in the year and the defined benefit pension liability and associated disclosures;

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

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 (Senior Statutory Auditor)

For and on behalf of Third Sector Accountancy Limited, Statutory Auditor

Holyoake House

Hanover Street

Manchester

M60 0AS

30 / 12 / 2022

Date

Positive Steps Oldham
Consolidated Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Income from:							
Donations and legacies	3	171,934	-	171,934	197,954	-	197,954
Charitable activities	4	4,795,127	401,755	5,196,883	5,733,791	120,466	5,854,257
Other trading activities	5	223,894	-	223,894	138,504	-	138,504
Investments	6	37,368	-	37,368	6,855	-	6,855
Total income		5,228,323	401,755	5,630,079	6,077,104	120,466	6,197,570
Expenditure on:							
Raising funds	7	367,219	-	367,219	252,379	-	252,379
Charitable activities	8	5,630,133	440,533	6,070,666	6,441,494	33,225	6,474,719
Other expenditure	10	(2,763)	-	(2,763)	281,660	-	281,660
Total expenditure		5,994,589	440,533	6,435,122	6,975,533	33,225	7,008,758
Net income/(expenditure)		(766,266)	(38,778)	(805,043)	(898,429)	87,241	(811,188)
Remeasurement gain/(loss) on defined benefit pension plan	27	7,188,000	-	7,188,000	(6,558,000)	-	(6,558,000)
Net movement in funds	11	6,421,734	(38,778)	6,382,957	(7,456,429)	87,241	(7,369,188)
Reconciliation of funds							
Total funds brought forward		(11,237,877)	102,892	(11,134,985)	(3,781,448)	15,651	(3,765,797)
Total funds carried forward		(4,816,143)	64,114	(4,752,028)	(11,237,877)	102,892	(11,134,985)

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 2022

		The group		The Charity	
	Note	2022	2021	2022	2021
		£	£	£	£
Fixed assets					
Tangible assets	16	775,810	953,962	775,385	952,843
Investments	17	-	-	1	1
Total fixed assets		775,810	953,962	775,386	952,844
Current assets					
Stock		-	3,906	-	-
Debtors	20	755,500	341,477	1,046,823	424,043
Cash at bank and in hand		1,446,842	1,855,999	1,169,221	1,770,395
Total current assets		2,202,342	2,201,382	2,216,044	2,194,438
Liabilities					
Creditors: amounts falling due in less than one year	21	(800,181)	(1,089,329)	(770,740)	(1,048,422)
Net current assets		1,402,161	1,112,053	1,445,304	1,146,016
Total assets less current liabilities		2,177,971	2,066,015	2,220,690	2,098,860
Net assets excluding pension liability					
Defined benefit pension scheme liability	27	(6,930,000)	(13,201,000)	(6,930,000)	(13,201,000)
Net liabilities		(4,752,029)	(11,134,985)	(4,709,310)	(11,102,140)
Funds of the charity:					
Restricted income funds	22	64,114	102,892	64,114	102,892
Unrestricted income funds:					
General	23	2,113,857	1,963,123	2,156,576	1,995,968
Pension reserve		(6,930,000)	(13,201,000)	(6,930,000)	(13,201,000)
Total charity funds		(4,752,029)	(11,134,985)	(4,709,310)	(11,102,140)

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 6th December 2022 and signed on their behalf by:



J A Edmondson (Trustee)



Joanne Forsdike (Trustee)



Cliff Shields (Secretary)

Positive Steps Oldham

Consolidated Statement of Cash Flows
for the year ending 31 March 2022

	Note	2022 £	2021 £
Cash provided by/(used in) operating activities	26	(440,102)	377,560
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		37,368	6,855
Purchase of tangible fixed assets		(6,422)	(909,064)
Cash provided by/(used in) investing activities		30,946	(902,209)
Increase/(decrease) in cash and cash equivalents in the year		(409,156)	(524,649)
Cash and cash equivalents at the beginning of the year		1,855,999	2,380,648
Total cash equivalents at the end of the year		1,446,843	1,855,999

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2022

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.

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's 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. This estimate is subject to significant variances based on change to the underlying assumptions. 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.

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 2022 (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

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 12. 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 2022 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2022 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2021</i> £
Refurbishment contribution from landlord	144,684	-	144,684	144,684	-	144,684
In kind donation: Property Lease	27,250	-	27,250	27,250	-	27,250
HMRC schemes	-	-	-	26,020	-	26,020
	<u>171,934</u>	<u>-</u>	<u>171,934</u>	<u>197,954</u>	<u>-</u>	<u>197,954</u>

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2022 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2021</i> £
Young Peoples Services	3,470,268	385,593	3,855,861	3,362,293	100,000	3,462,293
Families Health and Wellbeing	1,324,859	16,162	1,341,021	2,371,498	20,466	2,391,964
	<u>4,795,127</u>	<u>401,755</u>	<u>5,196,882</u>	<u>5,733,791</u>	<u>120,466</u>	<u>5,854,257</u>

5 Income from other trading activities

	Unrestricted £	Restricted £	Total 2022 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2021</i> £
Work experience	144,983	-	144,983	63,638	-	63,638
Room hire	19,476	-	19,476	8,450	-	8,450
Projects	54,188	-	54,188	66,104	-	66,104
Training materials and sundry sales	5,247	-	5,247	312	-	312
	<u>223,894</u>	<u>-</u>	<u>223,894</u>	<u>138,504</u>	<u>-</u>	<u>138,504</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2022 (continued)

6 Investment income

	Unrestricted £	Restricted £	Total 2022 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2021</i> £
Income from bank deposits	258	-	258	2,043	-	2,043
Rent receivable	37,110	-	37,110	4,812	-	4,812
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	37,368	-	37,368	6,855	-	6,855
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7 Cost of raising funds

	Unrestricted £	Restricted £	2022 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £
Activity costs - PSO Trading Limited	147,029	-	147,029	104,390	-	104,390
Staff costs - PSO Trading Limited	179,218	-	179,218	109,726	-	109,726
Pension scheme adjustments	40,972	-	40,972	9,644	-	9,644
Support costs (see note 9)	-	-	-	27,718	-	27,718
Governance costs (see note 9)	-	-	-	901	-	901
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	367,219	-	367,219	252,379	-	252,379
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2022 (continued)

8 Analysis of expenditure on charitable activities

	Young Peoples Services £	Family, Health, and wellbeing £	Total 2022 £	Young Peoples Services £	Family, Health, and wellbeing £	Total 2021 £
Staff costs	2,475,596	828,036	3,303,632	2,598,145	1,342,469	3,940,614
Training and employee costs	3,990	510	4,500	10,542	2,825	13,367
Project costs	347,162	111,510	458,672	41,493	389,783	431,276
Travel, subsistence and transport	14,533	1,763	16,296	7,738	3,265	11,003
Rent and property costs	170	-	170	154,644	132,080	286,724
Stationery and administration	1,149	-	1,149	8,847	5,371	14,218
Telephone and data communications	-	-	-	21,179	15,201	36,380
Computer maintenance and software	-	-	-	125,233	57,003	182,236
Depreciation	118,829	39,746	158,575	103,937	53,705	157,642
Professional services	2,981	4,667	7,648	14,467	12,632	27,099
Pension scheme adjustments:						
Current service costs less employer contribution	395,001	132,120	527,121	150,099	77,557	227,656
Net interest on the defined benefit pension liability	170,961	57,183	228,144	78,266	40,440	118,706
Support costs (see note 9)	1,012,536	338,673	1,351,209	656,319	339,122	995,441
Governance costs (see note 9)	10,154	3,396	13,550	21,334	11,023	32,357
	<u>4,553,062</u>	<u>1,517,604</u>	<u>6,070,666</u>	<u>3,992,243</u>	<u>2,482,476</u>	<u>6,474,719</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2022 (continued)

9 Analysis of governance and support costs

	Support £	Governance £	Total 2022 £	Support £	Governance £	Total 2021 £
Staff costs	528,230	-	528,230	776,321	20,000	796,321
Pension scheme adjustments	120,762	-	120,762	68,235	1,758	69,993
Training and employee costs	17,547	-	17,547	6,714	-	6,714
Project costs	2,173	-	2,173	-	-	-
Telephone and data communication	36,847	-	36,847	3,261	-	3,261
Computer maintenance and software	226,894	-	226,894	42,924	-	42,924
Stationery and administration	19,471	-	19,471	5,540	-	5,540
Rent and property costs	332,405	-	332,405	78,722	-	78,722
Depreciation	25,302	-	25,302	31,056	-	31,056
Professional services	41,577	-	41,577	10,386	-	10,386
Audit and accountancy	-	13,550	13,550	-	11,500	11,500
	<u>1,351,208</u>	<u>13,550</u>	<u>1,364,758</u>	<u>1,023,159</u>	<u>33,258</u>	<u>1,056,417</u>
Allocated as follows:						
Cost of raising funds	-	-	-	27,718	901	28,619
Young Peoples Services	1,012,536	10,154	1,022,690	656,319	21,334	677,653
Family, Health, and Wellbeing	338,673	3,396	342,069	339,122	11,023	350,145
	<u>1,351,209</u>	<u>13,550</u>	<u>1,364,759</u>	<u>1,023,159</u>	<u>33,258</u>	<u>1,056,417</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.

Notes to the accounts for the year ended 31 March 2021 (continued)

10 Other expenditure

	2022 £	2021 £
Early Help Restructuring		
Redundancy costs	-	59,530
Pension strain costs	-	13,923
	-	73,453
Corporate Restructuring		
Redundancy costs		82,630
Pension strain costs	(2,763)	125,577
	(2,763)	208,207
Total Restructuring Costs	(2,763)	281,660

Current Year

Current year expenditure relates to the difference between the expected pension strain costs accrual as at 31st March 2021 and the actual cost incurred during the current financial year.

Prior Year

Early help restructuring costs relates to the required redundancies due to the loss of the Early Help contract. 5 employees were made redundant during the period, with all members of staff leaving Positive Steps in the current financial year.

Corporate restructuring costs relates to significant internal reorganisation required due to the above mentioned loss of contracts and the impact of fixed price long-term commissions. As part of the restructuring plan, 7 employees were made redundant, all with a final working date in July 2021.

The liability for the corporate restructuring costs have been accrued in the year ending 31st March 2021 due to the fact that it is deemed to have met the three criteria for recognition of a liability under FRS102. As at the year end, It is an obligation that exists as a result of a past event (obligation), it is more likely than not that a transfer of economic benefits will be required in settlement (probable) and the amount of the obligation can be measured or estimated reliably (measurement).

In addition, Under FRS102 Section 28 Employment Benefits, an entity is required to recognise redundancy costs in profit or loss immediately once the entity is demonstrably committed to terminate employment or make payment due to an offer made to encourage redundancy.

Positive Steps were deemed demonstrably committed due to the fact that as at the year end they had:

-prepared and approved a detailed formal plan to terminate employment; and

-raised a valid expectation in those affected by redundancies that it will carry out the restructuring by announcing it's main features to those affected by it.

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

11 Net income/(expenditure) for the year	2022	2021
	£	£
This is stated after charging/(crediting):		
Depreciation	184,574	165,809
Loss on disposal of fixed assets	-	23,585
Defined benefit pension costs:		
Current year service costs	1,053,000	830,000
Past service cost	131,000	-
Net interest	277,000	146,000
Restructuring costs (as note 10 above)	(2,763)	281,660
Movement in holiday pay accrual	(43,183)	72,175
Operating lease rentals: Land and buildings	120,000	120,000
Auditor's remuneration - audit fees	10,000	9,000
Auditor's remuneration - accountancy fees	3,400	3,400

12 Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	3,283,489	3,847,167
Social security costs	290,116	336,613
Pension costs	483,421	590,706
Movement in holiday pay accrual	(43,183)	72,175
Redundancy costs	(2,763)	281,660
	<u>4,011,080</u>	<u>5,128,321</u>

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

Charitable activities	125	143
Raising funds	5	5
	<u>130</u>	<u>148</u>

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
£90,001 - £100,000	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 £310,488 (2021:£327,176).

Notes to the accounts for the year ended 31 March 2021 (continued)

13 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 (2021: 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.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Stephanie Bolshaw, the CEO, is a trustee of Mahdlo (Oldham Youth Zone), charity number 1134427. During the year, the group supplied services and equipment to Mahdlo for £20,074 (2021:£18,961). A balance of £8,802 (2021:£4,114) was owed as at year end from Mahdlo to the group.

Four trustees are also Oldham Metropolitan Borough Councillors. During the year, the charity was paid £2,769,370 (2021: £3,854,121) by the council for services. The charity also paid £22,394 (2021: £10,083) 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:

	2022	2021
	£	£
Payroll costs re-charged to the subsidiary	180,160	109,726
Other costs recharged to the subsidiary	46,718	49,389
Charges by subsidiary to parent charity	(85,967)	(14,034)
Payment of donation from subsidiary to parent	-	51,778

As at 31 March 2022 the subsidiary owed the parent charity £371,371 (2021: £127,938).

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 (2021: nil).

14 Government grants

The government grants recognised in the accounts were as follows:

	2022	2021
	£	£
HM Revenue and Customs	-	26,020
Children in Need	16,162	20,466
Ministry of Justice	-	30,596
Roots of Oppurtunities	385,593	-
	<u>401,755</u>	<u>77,082</u>

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

Notes to the accounts for the year ended 31 March 2021 (continued)

15 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:

	2022 £	2021 £
UK corporation tax at 19% (2021: 19%)	-	-

16 Fixed assets: tangible assets**The group**

	Leasehold improvements £	Office equipment £	Total £
Cost			
At 1 April 2021	832,702	502,528	1,335,230
Additions	-	6,422	6,422
At 31 March 2022	832,702	508,950	1,341,652
Depreciation			
At 1 April 2021	180,009	201,259	381,268
Charge for the year	92,149	92,425	184,574
At 31 March 2022	272,158	293,684	565,842
Net book value			
At 31 March 2022	560,544	215,266	775,810
At 31 March 2021	652,693	301,269	953,962

Notes to the accounts for the year ended 31 March 2021 (continued)

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

	Leasehold improvements	Office equipment	Total
	£	£	£
Cost			
At 1 April 2021	832,702	499,278	1,331,980
Additions	-	6,420	6,420
	<hr/>	<hr/>	<hr/>
At 31 March 2022	832,702	505,698	1,338,400
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 April 2021	180,007	199,130	379,137
Charge for the year	92,149	91,729	183,878
	<hr/>	<hr/>	<hr/>
At 31 March 2022	272,156	290,859	563,015
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31 March 2022	560,546	214,839	775,385
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>At 31 March 2021</i>	<i>652,695</i>	<i>300,148</i>	<i>952,843</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17 Investments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Investment in group undertakings	-	-	1	1
	<hr/> <hr/>	<hr/> <hr/>	<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 is used for non-primary purpose trading activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

Notes to the accounts for the year ended 31 March 2021 (continued)

18 Subsidiary undertaking (continued)

Profit and loss account	2022 £	2021 £
Turnover	316,374	143,317
Administration costs	(326,247)	(214,116)
Other operating income	-	30,918
	<hr/>	<hr/>
Net (loss)/profit	(£9,873)	(£39,881)
	<hr/> <hr/>	<hr/> <hr/>
Balance sheet	2022 £	2021 £
Fixed assets	424	1,120
Current assets	357,672	134,882
Creditors due in less than one year	(400,812)	(168,845)
	<hr/>	<hr/>
	(£42,716)	(£32,843)
	<hr/> <hr/>	<hr/> <hr/>
Called up share capital	1	1
Profit and loss account	(42,717)	18,934
Gift aid payment to parent	-	(51,778)
	<hr/>	<hr/>
	(£42,716)	(£32,843)
	<hr/> <hr/>	<hr/> <hr/>

19 Parent charity

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

	2022 £	2021 £
Gross income	5,640,994	6,175,939
Net surplus/(deficit)	(795,171)	(687,726)
Actuarial (losses)/gains on defined benefit pension scheme	7,188,000	(6,598,707)
Net movement in funds	6,392,829	(7,286,433)
	<hr/> <hr/>	<hr/> <hr/>

Notes to the accounts for the year ended 31 March 2021 (continued)

20 Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	584,435	273,538	517,556	230,690
Amounts owed by subsidiary undertaking	-	-	371,372	127,939
Prepayments	105,348	45,823	105,348	43,298
Accrued income	65,717	22,116	52,547	22,116
	<u>755,500</u>	<u>341,477</u>	<u>1,046,823</u>	<u>424,043</u>

21 Creditors: amounts falling due within one year

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	162,106	280,217	162,076	270,805
Accruals	245,405	391,139	230,815	376,820
Deferred income	292,329	186,753	280,953	171,345
Taxation and social security costs	100,341	231,220	96,896	229,452
	<u>800,181</u>	<u>1,089,329</u>	<u>770,740</u>	<u>1,048,422</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 £90k (2021: £133k) in respect of a holiday pay accrual. The accrual has decreased in line with expectations. The balance increased significantly in the prior year due to the fact that as part of Covid-19 and related government guidelines, employees were allowed to carry forward up to 15 days into the following holiday year. As such, this combined with the fact that holiday uptake was down during the year due to Covid-19, the holiday pay accrual balance has increased significantly year on year.

Included within accruals is also a balance of £nil (2021: 208k) in respect of redundancy costs accrued, see note 10 for further information.

Notes to the accounts for the year ended 31 March 2021 (continued)

22 Analysis of movements in restricted funds**Current reporting period**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Barclays Covid	85,967	-	(85,967)	-	-
Children in Need 19-21	16,925		(16,925)	-	-
Children in Need 21-24		16,162	(12,850)		3,312
Community Renewal Fund: Roots of Opportunity	-	385,593	(324,791)	-	60,802
Total	102,892	401,755	(440,533)	-	64,114

Previous reporting period

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 1 April 2021 £
Barclays Covid	-	100,000	(14,033)	-	85,967
Children in Need	15,651	20,466	(19,192)	-	16,925
Total	15,651	120,466	(33,225)	-	102,892

Name of restricted fund**Description, nature and purposes of the fund**

Children in Need 19-21	Health and wellbeing project for young carers
Children in Need 21-24	Health and wellbeing project for young carers
Barclays Covid	Provision of free bicycles and tablets to people during the pandemic
Community Renewal Fund: Roots of Opportunity	Programme with a graduated approach to enable young people to contribute to the local environment and seek employment in the green economy.

Notes to the accounts for the year ended 31 March 2021 (continued)

23 Analysis of movement in group unrestricted funds

Current period

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	As at 31 March 2022 £
General fund	1,963,123	5,228,323	(5,994,589)	917,000	2,113,857
Pension reserve	(13,201,000)	-		6,271,000	(6,930,000)
	<u>(11,237,877)</u>	<u>5,228,323</u>	<u>(5,994,589)</u>	<u>7,188,000</u>	<u>(4,816,143)</u>
	<u><u>(11,237,877)</u></u>	<u><u>5,228,323</u></u>	<u><u>(5,994,589)</u></u>	<u><u>7,188,000</u></u>	<u><u>(4,816,143)</u></u>
	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>As at 1 April 2021 £</i>
General fund	2,435,552	6,077,104	(6,975,533)	426,000	1,963,123
Pension reserve	(6,217,000)	-		(6,984,000)	(13,201,000)
	<u>(3,781,448)</u>	<u>6,077,104</u>	<u>(6,975,533)</u>	<u>(6,558,000)</u>	<u>(11,237,877)</u>
	<u><u>(3,781,448)</u></u>	<u><u>6,077,104</u></u>	<u><u>(6,975,533)</u></u>	<u><u>(6,558,000)</u></u>	<u><u>(11,237,877)</u></u>

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 liability

24 Analysis of group net assets between funds

Current reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	775,810	-	-	775,810
Net current assets/(liabilities)	1,338,047	-	64,114	1,402,161
Provision for pension liability	-	(6,930,000)	-	(6,930,000)
Total	<u>2,113,857</u>	<u>(6,930,000)</u>	<u>64,114</u>	<u>(4,752,029)</u>
	<u><u>2,113,857</u></u>	<u><u>(6,930,000)</u></u>	<u><u>64,114</u></u>	<u><u>(4,752,029)</u></u>

Previous reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	953,962	-	-	953,962
Net current assets/(liabilities)	1,009,161	-	102,892	1,112,053
Provision for pension liability	-	(13,201,000)	-	(13,201,000)
Total	<u>1,963,123</u>	<u>13,201,000</u>	<u>102,892</u>	<u>(11,134,985)</u>
	<u><u>1,963,123</u></u>	<u><u>13,201,000</u></u>	<u><u>102,892</u></u>	<u><u>(11,134,985)</u></u>

Notes to the accounts for the year ended 31 March 2021 (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	
	2022 £	2021 £	2022 £	2021 £
<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	307,068	420,000	307,068	420,000
	907,068	1,020,000	907,068	1,020,000
	907,068	1,020,000	907,068	1,020,000

The 2021 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

	2022 £	2021 £
Net income/(expenditure) for the year	(805,043)	(811,188)
Adjustments for:		
Depreciation charge and disposals	184,574	181,292
Dividends, interest and rents from investments	(37,368)	(6,855)
Decrease/(increase) in stock	3,906	(3,906)
Decrease/(increase) in debtors	(414,023)	108,796
Increase/(decrease) in creditors	(289,147)	483,422
Pension scheme adjustments	916,999	425,999
	(440,102)	377,560
Net cash provided by/(used in) operating activities	(440,102)	377,560

Notes to the accounts for the year ended 31 March 2021 (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 2019 amounted to £23,844 million. The funding level of the Fund as measured using the actuarial method of valuation was 102% as at 31 March 2019.

A full actuarial valuation was carried out at 31 March 2019 by a qualified independent actuary. The principal long term assumptions used by the actuary at that date were:

Discount rate	3.6 % per annum
Inflation assumption	2.3 % per annum
Expected rate of salary increases	3.1 % per annum

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 2019). 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 2021. The significant assumptions used by the actuary have been as below.

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)**Key assumptions**

	2022 %pa	2021 %pa
Discount rate	2.8	2.1
Expected rate of increase of pensions in payment	3.2	2.8
Expected rate of salary increases	3.9	3.6

Mortality assumptions

	2022 years	2021 years
Assumed life expectations on retirement at aged 65:		
Retiring today:		
- Males	20.3	20.5
- Females	23.2	23.3
Retiring in 20 years		
- Males	21.6	21.9
- Females	25.1	25.3

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 60% 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.

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)***Sensitivity analysis (continued)***

	2021/2022	
Changes in assumptions	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	1,081
1 year increase in member life expectancy	4%	1,771
0.1% increase in Salary Increase Rate	0%	116
0.1% Increase in the Pension Increase Rate (CPI)	2%	957

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% (2021: 35%). 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).

Impact on the accounts

	2022 £	2021 £
The amounts charged or (credited) in the Statement of Financial Activities are as follows:		
Current service cost	1,053,000	830,000
Net interest on defined benefit liability	277,000	146,000
Past service cost	131,000	-
	<u>1,461,000</u>	<u>976,000</u>
Other recognised (gains) or losses:		
Actuarial return on scheme assets	(3,064,000)	(5,231,000)
Less: calculated interest element	-	-
	<u>(3,064,000)</u>	<u>(5,231,000)</u>
Actuarial changes relating to obligations	(4,124,000)	11,789,000
Total cost/(income)	<u>(7,188,000)</u>	<u>6,558,000</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	44,283,000	46,618,000
Fair value of plan assets	(37,353,000)	(33,417,000)
	<u>6,930,000</u>	<u>13,201,000</u>
Deficit in scheme	<u>6,930,000</u>	<u>13,201,000</u>

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)***Impact on the accounts (continued)***

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

Other recognised losses/gains	7,188,000	(6,558,000)
Current service cost	(1,053,000)	(830,000)
Contributions paid by employer	544,000	550,000
Net interest on defined benefit liability	(277,000)	(146,000)
Past service cost	(131,000)	-
	<hr/>	<hr/>
(Increase)/decrease in liability	6,271,000	(6,984,000)
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of defined benefit obligations

Liabilities brought forward	46,618,000	33,528,000
Current service cost	1,053,000	830,000
Past service cost	131,000	-
Benefits paid	(490,000)	(466,000)
Contributions from scheme members	132,000	160,000
Remeasurements:		
Changes in financial assumptions	(3,968,000)	11,921,000
Changes in demographic assumptions	(263,000)	205,000
Other experience	107,000	(337,000)
Interest cost on defined benefit obligations	963,000	777,000
	<hr/>	<hr/>
Liabilities carried forward	44,283,000	46,618,000
	<hr/> <hr/>	<hr/> <hr/>

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

Wholly unfunded obligations	-	-
Wholly funded obligations	44,283,000	46,618,000
	<hr/>	<hr/>
	44,283,000	46,618,000
	<hr/> <hr/>	<hr/> <hr/>

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)***Movement in the fair value of plan assets***

Opening fair value of the scheme assets	33,417,000	27,311,000
Interest income on plan assets	686,000	631,000
Contributions by employer	544,000	550,000
Contributions by members	132,000	160,000
Benefits paid	(490,000)	(466,000)
Return on assets excluding amounts included in net interest	3,064,000	5,231,000
	<u>37,353,000</u>	<u>33,417,000</u>

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

	%	%
Equities	67	72
Bonds	15	12
Property	8	7
Cash	10	9

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

	£	£
Equities	25,026,510	24,060,240
Bonds	5,602,950	4,010,040
Property	2,988,240	2,339,190
Cash	3,735,300	3,007,530
	<u>37,353,000</u>	<u>33,417,000</u>

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)

Review of the 2022 results

Assets

In the year ending 31 March 2022, investment returns have been significantly greater than expected (compared to last year's accounting discount rate assumption). As such, this has resulted in a £3,064,000 increase in the fair value of the scheme assets.

Obligations

The remeasurements in the obligations rollforward 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 2022, the net discount rate has increased compared to 31st March 2021. The discount rate assumption has increased by more than the increase in the CPI assumption. This has resulted in a decrease to the liabilities of £3,968,000
Changes in demographic assumptions	Using a more up-to-date longevity assumption as at 31st March 2022 has resulted in an decrease of the liability of 263,000
Changes in other experience	The 'Other experience' item captures the small loss of applying the actual Pensions Increase Order for April 2022 of 3.1%, as it is slightly higher than the pension increase rate assumption built into the obligations at the start of the accounting period.

Impact of Covid-19

The main impacts of the Covid-19 pandemic, and subsequent lockdowns, on the FRS102 accounting figures can be summarised as follows:

- Asset returns and values have followed market movements prompted by the pandemic and lockdowns, among other factors, which has therefore impacted the asset share value;
- Bond yields and inflation expectations have also followed market movements, which will therefore affect the obligations value;
- Life expectancy assumptions have not been updated as the data is not yet available to make an evidence based assessment on the pandemic's impact on longer term expectations.

Future impact

The projected charge to the SOFA for the year ending 31 March 2023 is likely to decrease compared to the charge for this year, as a result of the higher net discount rate as at 31st March 2022.

Notes to the accounts for the year ended 31 March 2021 (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 2019 it was determined that Positive Steps were to pay 22.4% contributions per annum for the foreseeable future, a marked increase on the previous contribution.

Positive Steps anticipates paying £449,000 in expected employer's contributions to the scheme in 2022/23.

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.

POSITIVE STEPS OLDHAM

England & Wales - Charity number 1017247

Accounts

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021



POSITIVE STEPS

SUPPORT | CHALLENGE | CHANGE

POSITIVE STEPS OLDHAM (trading as POSITIVE STEPS)
(A company limited by guarantee and not having share capital)
Company number: 2563094. Registered Charity Number: 1017247

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REPORT OF THE TRUSTEES/DIRECTORS

The trustees/directors of Positive Steps Oldham (referred to as Positive Steps [PS] (the trading name), for the remainder of this report) present their twenty seventh Annual Report together with the financial statements. Included within the trustees' report is the directors' report as required by company law.

The **directors** or **members of the board** of the charitable company (the charity) are its trustees for the purpose of charity law. Throughout this report they are collectively referred to as the '**trustees**'.

Charity number: 1017247

Company number: 2563094

Chief Executive: Stephanie A Bolshaw

Registered office: Media Place, 80 Union Street, Oldham, Lancashire, OL1 1DJ

Auditors: Wrigley Partington, Sterling House, 501 Middleton Road, Chadderton, Oldham, Lancashire, OL9 9LY

Bankers: Barclays Bank plc. 25 High Street, Oldham, Lancashire, OL1 3AZ

Solicitors: Napthens, Greenbank Court, Challenge Way, Greenbank Business Park, Blackburn, BB1 5QB

Key management personnel:

Stephanie Bolshaw

Paul Axon

Rina Dabhi

Clifford Shields

Chief Executive Office

Director of Young People's Services

Director of Families and Communities

Director of Corporate Services

Trustees	Representing	
Miss Joanne Marie Taylor	Independent	
Cllr Garth Harkness	Oldham Council	Resigned 7 th May 2021
Mr Muzahid Khan	Independent	
Ms Julie Anne Edmondson (Chair)	Independent	
Ms Hannah Jane Roberts	Independent	
Cllr Abdul Malik	Oldham Council	
Cllr Graham Shuttleworth	Oldham Council	

Cllr Fazlul Haque	Oldham Council	Resigned 7th May 2021
Mrs Nicola Jane Robinson	Independent	
Cllr Rosalynne Katya Birch	Oldham Council	Appointed 27 th July 2021
Cllr Diane Williamson	Oldham Council	Appointed 27 th July 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Positive Steps Oldham is a company limited by guarantee governed by its Memorandum and Articles of Association which were redrafted and adopted by special resolution on 27th September 2016 having previously been amended 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 of whom agree 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 total up to twelve members: four elected members of Oldham Council: and eight from statutory partners – (e.g. education, health, crime and disorder) and/or “community” representatives from private business, training, the voluntary sector and/or who are independent 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 day-to-day operations of the company to the Chief Executive. Who is assisted by Directors and a number of senior managers with responsibility for operational delivery. It should be noted that these post holders are not Board members.

Remuneration of key management personnel

The goal of our pay policy is 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 a Real Living Wage accredited body and this will override the Job Evaluation grades, where applicable.

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 2020-21 financial year, PS had a subsidiary company:

PSO Trading Limited was incorporated on 2nd June 2005 and commenced trading on 31 October 2005. The company is a wholly-owned subsidiary of the charity and was formed to provide a range of trading activities from the offices of the charity. These include training: property hire: ICT services and projects; work experience; cycle repair/resale and DBS services for smaller voluntary sector organisations. Any surplus or profit from these trading activities is transferred to PS under a gift-aid arrangement.

OBJECTIVES AND ACTIVITIES

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

- *To advance the education and training of young people in order to prepare them for working and adult life.*
- *To promote the industry/education partnerships with particular reference to young people in their last years of formal education.*
- *The relief of unemployment for the public benefit in such ways as may be thought fit, including assistance to find employment.*
- *The provision of educational and 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.*
- *Such other ancillary or incidental training or educational activities and other associated activities for the benefit of the community*

During the year, the biggest 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:

Young People's Services

The work of this directorate focuses on two services – Careers Guidance and Support and Youth Justice and Prevention.

Careers Guidance and Support

Each local authority (Oldham, Rochdale and Tameside) funds information, advice and guidance (IAG) with young people who are at risk of becoming 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.

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.

Families, Health and Wellbeing

The largest element of this Directorate is Early Intervention and Prevention (EIP). EIP is an Oldham-wide strategy to support individuals and families of all ages to stay 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 own 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 Early Help

service works closely in partnership with Oldham Council alongside other voluntary sector partners to deliver a holistic offer.

The Directorate delivers the Young Carers Service which provides support for young people who have a caring responsibility at home – identifying and engaging these vulnerable young people and their families to help them to develop social confidence increasing opportunities for them to engage fully with peers and their community.

Up until 31st December 2020 and 31st March 2021, the Directorate delivered the Health Improvement Service and Integrated Health Services for Oldham Council respectively. Unfortunately, following an unsuccessful tendering exercise these were transferred to new providers.

Corporate Services

The Directorate has two key roles within the business, to provide corporate support and to develop the trading company, PSO Trading Ltd.

Corporate Support

This is delivered by two specialist teams each with a service lead and appropriately skilled and experience staff. The two teams are:

Professional & Facilities Support – Finance; Human Resources; Compliance and Facilities

Management & Systems Support – ICT; Management Information; Marketing and Administration

The “Front of House” and Volunteers service are delivered by an operational manager who also manages part of the trading activities. Volunteers are integral to Positive Steps as a whole. Over the past 18 months we have successfully developed roles for volunteers and have recruited and trained volunteers to work in all areas of the business. We strive to offer high quality and meaningful volunteering opportunities and offer an excellent training package and a range of opportunities including paid work.

PSO Trading Ltd

PSO Trading Ltd is a wholly-owned subsidiary of Positive Steps and any trading surpluses are covenanted into the Positive Steps charitable trust. Non-charitable activity undertaken includes the sales of IT products and service, cycle repair and sale, Car Park hire, DBS service, room hire and a range of training and consultancy services.

We support schools through traded services that organise work experience placements, mock interviews and employer encounters, we have developed a Positive Futures programme, a mentor based supportive work experience offer (Year 9 upwards) working across all employment sectors.

We have also developed an in-house bicycle project – Positive Cycles – which works with young people and adults to develop skills around bicycle maintenance and renovation.

ACHIEVEMENTS AND PERFORMANCE



POSITIVE STEPS
SUPPORT | CHALLENGE | CHANGE

Positive Steps has a long history of hitting and exceeding targets and the past year has proved no exception. During the April 2019 to March 2020 period, we delivered a comprehensive, integrated range of services which helped young people, adults and families reach their full potential. Our approach throughout has been to understand and break down the barriers individuals face in reaching their goals.

EARLY HELP SERVICES

During 2020/21 Positive Steps delivered the medium and low intensity levels of the Early Help Service in Oldham. This included health check and stop smoking support, plus the two year old offer

1461 Early Help cases

286 brief interventions carried out – 254 progressing to full Early Help Assessment

69 Health checks and Health MOTs carried out

859 Stop Smoking clients worked with leading to a quit rate of 46.50%

761 families were engaged with the two year old offer

INTEGRATED SEXUAL HEALTH & SUBSTANCE MISUSE SERVICES

Positive Steps had led the way in integrated young people's services with a long history of seamless service provision.

The integrated health service demonstrated the benefits of this model of working. Young people could access sexual health advice and substance misuse provision in the same intervention, reducing their need to retell their stories and tackle the, often interlinked, issues that create problems for young people.

A partnership had been successfully developed between Positive Steps and Brook

245 young people accessed the substance misuse service for the first time

225 sexual health clinics were delivered

100% of sexual health patients were seen within 48 hours

VOLUNTEERS

Volunteers contributed 4,056 hours of support to the people accessing our service areas



201 volunteers have passed their AQA level 1 Child, Vulnerable Adults Protection, Safeguarding and Security and Information Level 1

22 volunteers have passed their AQA level 2 in peer mentoring 1



We pride ourselves on being able to offer “more than a careers service” and we deliver what we call “blended guidance” which is built upon career guidance theory and models of delivery with NLP techniques and strategies.

We deliver contracts in Rochdale, Tameside and Oldham, and work in selected schools in Bury and Manchester

We continued to keep 16-18 NEET figures low, while reducing the number of young people with whom we had lost touch

We achieved participation rates of

Oldham	95.6%
Rochdale	96.7%
Tameside	96.4%

The number of looked after children who left school and remained in education/learning were

Oldham	85.7%
Rochdale	93.0%
Tameside	89.6%

YOUTH JUSTICE

Positive Steps delivers the statutory Youth Justice Service in Oldham.

We supervise children and young people aged 10 to 18. Some are serving court sentences; others have not been charged for their offending behaviour and are being dealt with outside the court system.

The rate of re-offending in Oldham of 27.30% was better than the figures for Greater Manchester, the North West, England and our YJS family comparators

Our custody rate per 1,000 of the age 10-17 population of 0.04 is lower than all our comparators

VOLUNTEERING

Volunteers are integral to Positive Steps as a whole.

We strive to offer high quality and meaningful volunteering opportunities and offer an excellent training package and a range of opportunities including paid work.

Volunteers contributed 4,056 hours of support to the people accessing our service areas

YOUNG CARERS SERVICE

We deliver the Young Carers service in Oldham.

It provides young people with a break from their caring duties and an opportunity to socialise and develop life skills

We had 601 young carers registered as at 31st March 2021. 90.6% progressed into learning on leaving school

MISSING FROM HOME SERVICE

We deliver the Missing from home interview service in Oldham

During 2020/21 there were 1,186 reported cases, of which 87.7% were interviewed within 72 hours

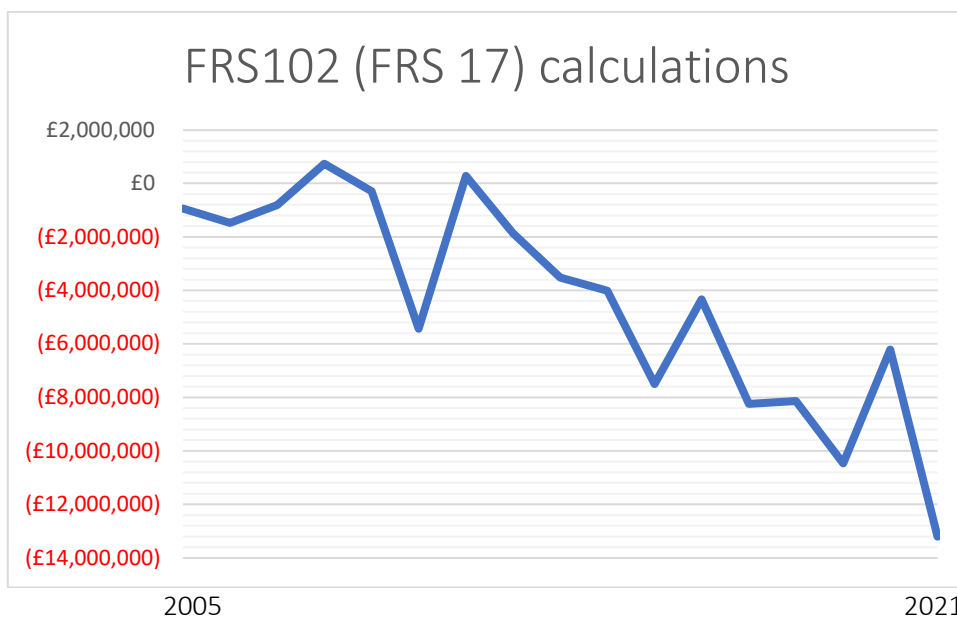
STRATEGIC REPORT INCLUDING FINANCIAL REVIEW

The Positive Steps Oldham Charity accounts for 2020-21 show overall income decreasing from £6,690,550 in 2019-20 to £ 6,197,570, this year, a decrease of 7.4%. This was almost entirely attributable to funding cuts within the Career Guidance & Support Services directorate and restructuring costs.

The accounts show, initially, an operating loss of £103,518. However, FRS102 Pension Scheme adjustments of £426,000 and restructuring costs of £281,660 resulted in an operating deficit for the year of £811,188.

The figures presented in the GM Pension Fund's actuarial report are prepared only for the purposes of 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 important 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. The purpose of this valuation is to estimate what this cost will be, so that the Fund can then develop a funding strategy to meet it.

The pension asset and liability has featured in financial reports and statements since 2005, and has, following re-assessment by the Greater Manchester Pension Scheme's independent actuary, worsened from a deficit of £6,217,000 on 31st March 2020 to a deficit of £13,201,00 on 31st March 2021. The FRS102 (FRS 17) calculations continue to oscillate year on year with the following surpluses and deficits noted since the FRS102 (FRS 17) requirements were introduced in 2004-2005:



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

On reviewing the Balance Sheet, the net assets, excluding pension reserve, have decreased from £2,451,203 to £2,066,015.

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, having regard to the liquidity requirements of operating the business of the Company 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 which matches or exceeds inflation measured by the retail price index.

Reserves Policy

In June 2019, the trustees approved the following Reserves Policy:

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

Fixed assets would not be included.

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

An Opportunity Reserve intended as a source of internal funds for organisational capacity building such as staff development, research and development, or investment in infrastructure that will build long-term capacity.

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

A Pensions Liability Reserve intended to allow for future potential pension liabilities as a result of retirement on ill health grounds.

The set aside values for these reserves as at 31st March 2021 were:

Building and Capital Asset Reserve	£750,000
Opportunity Reserve	£200,000
Operating Reserve	£250,000
Pensions Liability Reserve	<u>£650,000</u>
	£1,850,000

Cash assets as defined above as at 31 March 2021 were £1,112,053.

Plans for Future Periods

Contracting/Funding Activity

The Oldham Integrated Support Services for Oldham Young People’s contract is secured until March 2022, with an optional additional year, for Lots 2 (The Prevention and Reduction of Youth Offending) and 3 (Support for Vulnerable Young People).

The Rochdale Young People’s Support and Guidance Services has been extended through to March 2022 when we will be tendering to secure the new contact

The Tameside Careers Guidance and Support Service contract was secured until December 2022, with the possibility of two single year further extensions.

We were successful in securing the All Age Early Intervention and Prevention contract for Oldham until March 26, with the possibility of an optional two years.

During 2021/22 we will be looking to expand our range of commissioned services into existing and new geographical areas.

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, will be focussing on developing its range of services and expanding its existing customer base.

Future Ways of Working

We have moved to a hybrid model of working, in line with locality working and the impact of the covid-19 pandemic

All staff can work remotely and have been equipped with chromebooks, mobile phones and peripherals.

Reviews of working practices are ongoing, both to meet the demands of hybrid working and to realise efficiency savings. Further reduction of paper-based processes and the development of a ICT based processes are key projects planned for 2021/22.

Our “state of the art” Oldham HQ offices are attracting partners to co-locate with us and it is planned that this will developed to further enhance the integrated offer.

Environmental Responsibility

Positive Steps takes its environmental responsibility seriously with existing schemes for the recycling of waste, unwanted furniture and redundant ICT equipment and for ethical procurement.

In April 2020 we adopted an Environmental Policy that contains 12 objectives that will focus our commitment to environmental sustainability.

Principal Risks and Uncertainties

The trustees and senior managers remained mindful of the major 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 the development of a strategy to continue to diversify activities and seek to diversify business within the sub-region.

Internal control risks were minimised by the implementation of procedures for authorisation of all financial transactions. Contract negotiation with funding bodies is supported by external legal advice. Detailed procedures and protocols existed which supported grievance and disciplinary processes, which were 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 through enabling movement into other posts which have been created as a result of new project demands. Staff turnover and sickness absence, during the year, were **below** industry norms. Although the loss of the Health Improvement and Integrated Health contracts led to a number of staff transferring to the new provider, under TUPE regulations, and will necessitate a corporate restructure in early 2021/22 that will result in a number of redundancies.

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 cover was maintained in relation to public and employer liability.

The company recognises two trade unions: Unison and GMB. Any proposed changes to terms and conditions of employment or other workplace issues were subject to full consultation.

All procedures relating to finance, human resources, IT and professional practice were kept under constant review in the 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 accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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

In so far as the Trustees are aware at the time of approving this report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Compliance with accounting standards

The trustees confirm that the financial statements comply with current statutory requirements, the requirements of the company's memorandum and articles of association and the requirements of the Charities SORP (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 was approved by the board on 11th January 2022 and signed on its behalf by:

J A Edmondson

J A Edmondson, Trustee

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 2021 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 2021 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.

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

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

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.

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.

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

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 the treatment of the redundancy costs incurred in the year; 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;
- 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, treatment of restructuring costs in the year and the defined benefit pension liability and associated disclosures;

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

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.

P Morrello

Patrick Morrello (Senior Statutory Auditor)

For and on behalf of Third Sector Accountancy Limited, Statutory Auditor

Holyoake House

Hanover Street

Manchester

M60 0AS

25 / 01 / 2022

Date

Positive Steps Oldham
Consolidated Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	<i>Unrestricted funds</i> £	<i>As re-stated</i> <i>Restricted funds</i> £	<i>Total funds</i> 2020 £
Income from:							
Donations and legacies	3	197,954	-	197,954	60,285	-	60,285
Charitable activities	4	5,733,791	120,466	5,854,257	6,188,604	51,224	6,239,828
Other trading activities	5	138,504	-	138,504	311,769	5,343	317,112
Investments	6	6,855	-	6,855	73,325	-	73,325
Total income		6,077,104	120,466	6,197,570	6,633,983	56,567	6,690,550
Expenditure on:							
Raising funds	7	252,379	-	252,379	320,725	5,343	326,068
Charitable activities	8	6,474,719	33,225	6,474,719	6,866,705	35,573	6,902,278
Other expenditure	10	281,660	-	281,660	-	-	-
Total expenditure		7,008,758	33,225	7,008,758	7,187,430	40,916	7,228,346
Net income/(expenditure)		(931,654)	87,241	(811,188)	(553,447)	15,651	(537,796)
Remeasurement gain/(loss) on defined benefit pension plan	27	(6,558,000)	-	(6,558,000)	5,079,000	-	5,079,000
Net movement in funds	11	(7,489,654)	87,241	(7,369,188)	4,525,553	15,651	4,541,204
Reconciliation of funds							
Total funds brought forward		(3,781,448)	15,651	(3,765,797)	(8,307,001)	-	(8,307,001)
Total funds carried forward		(11,271,102)	102,892	(11,134,985)	(3,781,448)	15,651	(3,765,797)

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 2021

		The group		The Charity	
	Note	2021	<i>As re-stated</i>	2021	<i>As re-stated</i>
		£	2020	£	2020
			£		£
Fixed assets					
Tangible assets	16	953,962	226,190	952,843	224,374
Investments	17	-	-	1	1
Total fixed assets		953,962	226,190	952,844	224,375
Current assets					
Stock		3,906	-	-	-
Debtors	20	341,477	450,273	424,043	446,027
Cash at bank and in hand		1,855,999	2,380,648	1,770,395	2,319,697
Total current assets		2,201,382	2,830,921	2,194,438	2,765,724
Liabilities					
Creditors: amounts falling due in less than one year	21	(1,089,329)	(605,908)	(1,048,422)	(588,810)
Net current assets		1,112,053	2,225,013	1,146,016	2,176,914
Total assets less current liabilities		2,066,015	2,451,203	2,098,860	2,401,289
Net assets excluding pension liability		2,066,015	2,451,203	2,098,860	2,401,289
Defined benefit pension scheme liability	27	(13,201,000)	(6,217,000)	(13,201,000)	(6,217,000)
Net liabilities		(11,134,985)	(3,765,797)	(11,102,140)	(3,815,711)
Funds of the charity:					
Restricted income funds	22	102,892	15,651	102,892	15,651
Unrestricted income funds:					
General	23	1,963,123	2,435,552	1,995,968	2,385,638
Pension reserve		(13,201,000)	(6,217,000)	(13,201,000)	(6,217,000)
Total charity funds		(11,134,985)	(3,765,797)	(11,102,140)	(3,815,711)

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 27 to 50 form part of these accounts.


Approved by the trustees on 11 January 2022 and signed on their behalf by:



J A Edmondson (Trustee)



Joanne Taylor (Trustee)



Cliff Shields (Secretary)

Positive Steps Oldham

Consolidated Statement of Cash Flows
for the year ending 31 March 2021

	Note	2021 £	2020 £
Cash provided by/(used in) operating activities	26	377,560	58,642
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		6,855	73,325
Purchase of tangible fixed assets		(909,064)	(50,043)
Cash provided by/(used in) investing activities		(902,209)	23,282
Increase/(decrease) in cash and cash equivalents in the year		(524,649)	81,924
Cash and cash equivalents at the beginning of the year		2,380,648	2,298,724
Total cash equivalents at the end of the year		1,855,999	2,380,648

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.

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. This estimate is subject to significant variances based on change to the underlying assumptions. 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.

Notes to the accounts for the year ended 31 March 2021 (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.

Notes to the accounts for the year ended 31 March 2021 (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

Notes to the accounts for the year ended 31 March 2021 (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 12. 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 2021 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
Refurbishment contribution from landlord	144,684	-	144,684	60,285	-	60,285
In kind donation: Property Lease	27,250	-	27,250	-	-	-
HMRC schemes	26,020	-	26,020	-	-	-
	<u>197,954</u>	<u>-</u>	<u>197,954</u>	<u>60,285</u>	<u>-</u>	<u>60,285</u>

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>As re-stated</i> <i>Restricted</i> £	<i>Total 2020</i> £
Young Peoples Services	3,362,293	100,000	3,462,293	3,497,277	21,273	3,518,550
Families Health and Wellbeing	2,371,498	20,466	2,391,964	2,691,327	29,951	2,721,278
	<u>5,733,791</u>	<u>120,466</u>	<u>5,854,257</u>	<u>6,188,604</u>	<u>51,224</u>	<u>6,239,828</u>

5 Income from other trading activities

	Unrestricted £	Restricted £	2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £
Work experience	63,638	-	63,638	147,376	-	147,376
Room hire	8,450	-	8,450	8,562	-	8,562
Projects	66,104	-	66,104	127,556	5,343	132,899
Training materials and sundry sales	312	-	312	28,275	-	28,275
	<u>138,504</u>	<u>-</u>	<u>138,504</u>	<u>311,769</u>	<u>5,343</u>	<u>317,112</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

6 Investment income

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
Income from bank deposits	2,043	-	2,043	14,726	-	14,726
Rent receivable	4,812	-	4,812	58,599	-	58,599
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,855	-	6,855	73,325	-	73,325
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7 Cost of raising funds

	Unrestricted £	Restricted £	2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £
Activity costs - PSO Trading Limited	104,390	-	104,390	320,725	5,343	326,068
Staff costs - PSO Trading Limited	109,726	-	109,726	-	-	-
Pension scheme adjustments	9,644	-	9,644	-	-	-
Support costs (see note 9)	27,718	-	27,718	-	-	-
Governance costs (see note 9)	901	-	901	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	252,379	-	252,379	320,725	5,343	326,068
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

8 Analysis of expenditure on charitable activities

	Young Peoples Services	Family, Health, and wellbeing	Total 2021	Young Peoples Services	<i>As re-stated</i> Family, Health, and wellbeing	Total 2020
	£	£	£	£	£	£
Staff costs	2,598,145	1,342,469	3,940,614	2,452,632	1,550,415	4,003,047
Training and employee costs	10,542	2,825	13,367	-	-	-
Project costs	41,493	389,783	431,276	55,627	468,265	523,892
Travel, subsistence and transport	7,738	3,265	11,003	26,509	14,842	41,351
Rent and property costs	154,644	132,080	286,724	133,406	111,371	244,777
Printing and promotions	-	-	-	678	397	1,075
Stationery and administration	8,847	5,371	14,218	15,474	8,886	24,360
Telephone and data communications	21,179	15,201	36,380	22,312	13,060	35,372
Computer maintenance and software	125,233	57,003	182,236	147,065	86,080	233,145
Depreciation	103,937	53,705	157,642	37,717	22,078	59,795
Professional services	14,467	12,632	27,099	-	-	-
Pension scheme adjustments:						
Current service costs less employer contribution	150,099	77,557	227,656	333,600	222,400	556,000
Net interest on the defined benefit pension liability	78,266	40,440	118,706	161,400	107,600	269,000
Support costs (see note 9)	656,319	339,122	995,441	546,145	334,128	880,273
Governance costs (see note 9)	21,334	11,023	32,357	18,731	11,460	30,191
	<u>3,992,243</u>	<u>2,482,476</u>	<u>6,474,719</u>	<u>3,951,296</u>	<u>2,950,982</u>	<u>6,902,278</u>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

9 Analysis of governance and support costs

	Support £	Governance £	Total 2021 £	Support £	Governance £	Total 2020 £
Staff costs	776,321	20,000	796,321	665,009	19,191	684,200
Pension scheme adjustments	68,235	1,758	69,993	-	-	-
Training and employee costs	6,714	-	6,714	33,658	-	33,658
Telephone and data communication	3,261	-	3,261	-	-	-
Computer maintenance and software	42,924	-	42,924	-	-	-
Stationery and administration	5,540	-	5,540	-	-	-
Rent and property costs	78,722	-	78,722	122,389	-	122,389
Depreciation	31,056	-	31,056	29,896	-	29,896
Audit and accountancy	-	11,500	11,500	-	11,000	11,000
Professional services	10,386	-	10,386	29,321	-	29,321
	<u>1,023,159</u>	<u>33,258</u>	<u>1,056,417</u>	<u>880,273</u>	<u>30,191</u>	<u>910,464</u>
Allocated as follows:						
Cost of raising funds	27,718	901	28,619	-	-	-
Young Peoples Services	656,319	21,334	677,653	546,145	18,731	564,876
Family, Health, and Wellbeing	339,122	11,023	350,145	334,128	11,460	345,588
	<u>1,023,159</u>	<u>33,258</u>	<u>1,056,417</u>	<u>880,273</u>	<u>30,191</u>	<u>910,464</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.

Notes to the accounts for the year ended 31 March 2021 (continued)

10 Other expenditure

	2021 £	2020 £
<i>Early Help Restructuring</i>		
Redundancy costs	59,530	-
Pension strain costs	13,923	-
	<hr/>	<hr/>
	73,453	-
<i>Corporate Restructuring</i>		
Redundancy costs	82,630	-
Pension strain costs	125,577	-
	<hr/>	<hr/>
	208,207	-
	<hr/>	<hr/>
<i>Total Restructuring Costs</i>	281,660	-
	<hr/> <hr/>	<hr/> <hr/>

Early help restructuring costs relates to the fact the required redundancies due to the loss of the Early Help contract. 5 employees were made redundant during the period, with all members of staff leaving Positive Steps in the current financial year.

Corporate restructuring costs relates to significant internal reorganisation required due to the above mentioned loss of contracts and the impact of fixed price long-term commissions. As part of the restructuring plan, 7 employees were made redundant, all with a final working date in July 2021.

The liability for the corporate restructuring costs have been accrued in the year ending 31st March 2021 due to the fact that it is deemed to have met the three criteria for recognition of a liability under FRS102. As at the year end, It is an obligation that exists as a result of a past event (obligation), it is more likely than not that a transfer of economic benefits will be required in settlement (probable) and the amount of the obligation can be measured or estimated reliably (measurement).

In addition, Under FRS102 Section 28 Employment Benefits, an entity is required to recognise redundancy costs in profit or loss immediately once the entity is demonstrably committed to terminate employment or make payment due to an offer made to encourage redundancy.

Positive Steps were deemed demonstrably committed due to the fact that as at the year end they had:

-prepared and approved a detailed formal plan to terminate employment; and

-raised a valid expectation in those affected by redundancies that it will carry out the restructuring by announcing it's main features to those affected by it.

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

11 Net income/(expenditure) for the year	2021 £	2020 £
This is stated after charging/(crediting):		
Depreciation	165,809	92,557
Loss on disposal of fixed assets	23,585	-
Defined benefit pension costs:		
Current year service costs	830,000	1,078,000
Past service cost	-	3,000
Net interest	146,000	269,000
Restructuring costs (as note 10 above)	281,660	-
Operating lease rentals:		
Land and buildings	264,684	276,684
Auditor's remuneration - audit fees	9,000	11,000
Auditor's remuneration - accountancy fees	3,400	-
	1,600,138	1,663,241

12 Staff costs

Staff costs during the year were as follows:

	2021 £	<i>As re-stated</i> 2020 £
Wages and salaries	3,888,142	3,929,520
Social security costs	336,613	347,674
Pension costs	590,706	570,059
Redundancy costs	281,660	-
Other staff costs	31,200	-
	5,128,321	4,847,253

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

Charitable activities	150	153
Raising funds	5	8
	155	161

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	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£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 £327,176.

Notes to the accounts for the year ended 31 March 2021 (continued)

13 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 (2020: 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.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Stephanie Bolshaw, the CEO, is a trustee of Mahdlo (Oldham Youth Zone), charity number 1134427. During the year, the group supplied services and equipment to Mahdlo for £18,961.

Four trustees are also Oldham Metropolitan Borough Councillors. During the year, the charity was paid £3,854,121 by the council for services. The charity also paid £10,083 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:

	£
Payroll costs re-charged to the subsidiary	109,726
Other costs recharged to the subsidiary	49,389
Charges by subsidiary to parent charity	(14,034)
Payment of donation from subsidiary to parent	51,778

As at 31 March 2021 the subsidiary owed the parent charity £127,938.

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 (2020: nil).

14 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
HM Revenue and Customs	26,020	-
Children in Need	20,466	29,951
Ministry of Justice	30,596	-
	<hr/>	<hr/>
	77,082	29,951
	<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 2021 (continued)

15 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:

	2021 £	2020 £
UK corporation tax at 19% (2020: 19%)	-	-
	-	-

16 Fixed assets: tangible assets

The group

	Leasehold improvements £	Office equipment £	Total £
Cost			
At 1 April 2020	308,089	374,218	682,307
Additions	636,814	272,250	909,064
Disposals	(112,201)	(143,940)	(256,141)
	832,702	502,528	1,335,230
At 31 March 2021	832,702	502,528	1,335,230
Depreciation			
At 1 April 2020	192,509	263,608	456,117
Charge for the year	80,686	85,124	165,810
Disposals	(93,186)	(147,473)	(240,659)
	180,009	201,259	381,268
At 31 March 2021	180,009	201,259	381,268
Net book value			
At 31 March 2021	652,693	301,269	953,962
<i>At 31 March 2020</i>	<i>115,580</i>	<i>110,610</i>	<i>226,190</i>

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

16 Fixed assets: tangible assets (continued)

The charity

	Leasehold improvements	Office equipment	Total
	£	£	£
Cost			
At 1 April 2020	308,089	368,125	676,214
Additions	636,814	272,250	909,064
Disposals	(112,201)	(141,097)	(253,298)
	<u>832,702</u>	<u>499,278</u>	<u>1,331,980</u>
Depreciation			
At 1 April 2020	192,509	259,331	451,840
Charge for the year	80,684	84,429	165,113
Disposals	(93,186)	(144,630)	(237,816)
	<u>180,007</u>	<u>199,130</u>	<u>379,137</u>
Net book value			
At 31 March 2021	<u>652,695</u>	<u>300,148</u>	<u>952,843</u>
<i>At 31 March 2020</i>	<u>115,580</u>	<u>108,794</u>	<u>224,374</u>

17 Investments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Investment in group undertakings	-	-	1	1
	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>

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

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

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 is used for non-primary purpose trading activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

Profit and loss account	2021 £	2020 £
Turnover	143,317	375,711
Administration costs	(214,116)	(326,068)
Other operating income	30,918	-
	£ (39,881)	£ 49,643
	£ (39,881)	£ 49,643
Balance sheet	2021 £	2020 £
Fixed assets	1,120	1,815
Current assets	134,882	48,100
Creditors due in less than one year	(168,845)	-
	(£32,843)	£49,915
	(£32,843)	£49,915
Called up share capital	1	1
Profit and loss account	18,934	49,914
Gift aid payment to parent	(51,778)	-
	(£32,843)	£49,915
	(£32,843)	£49,915

19 Parent charity

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

	2021 £	2020 £
Gross income	6,175,939	6,055,131
Net surplus/(deficit)	(687,726)	(724,230)
Actuarial (losses)/gains on defined benefit pension sche	(6,598,707)	5,079,000
Net movement in funds	(7,286,433)	4,354,770
	(7,286,433)	4,354,770

Notes to the accounts for the year ended 31 March 2021 (continued)

20 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	273,538	240,365	230,690	195,856
Amounts owed by subsidiary undertaking	-	-	127,939	46,685
Prepayments	45,823	46,064	43,298	43,892
Accrued income	22,116	4,250	22,116	-
Other debtors	-	159,594	-	159,594
	<u>341,477</u>	<u>450,273</u>	<u>424,043</u>	<u>446,027</u>

21 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £	As re-stated 2020 £	2021 £	As re-stated 2020 £
Trade creditors	280,217	131,621	270,805	129,680
Amounts owed to subsidiary undertaking	-	-	-	7,730
Accruals	391,139	164,214	376,820	157,271
Deferred income	186,753	111,507	171,345	100,479
Taxation and social security costs	231,220	198,566	229,452	193,650
	<u>1,089,329</u>	<u>605,908</u>	<u>1,048,422</u>	<u>588,810</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 £133k (2020: £66k) in respect of a holiday pay accrual. The accrual has increased significantly in the year due to the fact that as part of Covid-19 and related government guidelines, employees were allowed to carry forward up to 15 days (PY: 5 days) into the following holiday year. As such, this combined with the fact that holiday uptake was down during the year due to Covid-19, the holiday pay accrual balance has increased significantly year on year. This balance is expected to decrease back to standard in the following years.

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

22 Analysis of movements in restricted funds

Current reporting period

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Barclays Covid	-	100,000	(14,033)	-	85,967
Children in Need	15,651	20,466	(19,192)	-	16,925
Total	15,651	120,466	(33,225)	-	102,892

Previous reporting period

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 1 April 2020 £
Co-op Foundation	-	7,616	(7,616)	-	-
Children in Need	-	29,951	(14,300)	-	15,651
Home Office	-	19,000	(19,000)	-	-
Total	-	56,567	(40,916)	-	15,651

Name of

restricted fund

Description, nature and purposes of the fund

Co-op Foundation	Building Connections Fund Youth Strand
Children in Need	Health and wellbeing project for young carers
Home Office	Provision of knife crime community fund
Barclays Covid	Provision of free bicycles and tablets to people during the pandemic

23 Analysis of movement in unrestricted funds

Current period

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	As at 31 March 2021 £
General fund	2,435,552	6,077,104	(6,549,533)	-	1,963,123
Pension reserve	(6,217,000)	-	(426,000)	(6,558,000)	(13,201,000)
	(3,781,448)	6,077,104	(6,975,533)	(6,558,000)	(11,237,877)

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

Previous reporting period

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>As at 1 April 2020</i>
	£	£	£	£	£
<i>General fund</i>	2,163,999	6,633,983	(6,362,430)	-	2,435,552
<i>Pension reserve</i>	(10,471,000)	-	(825,000)	5,079,000	(6,217,000)
	<u>(8,307,001)</u>	<u>6,633,983</u>	<u>(7,187,430)</u>	<u>5,079,000</u>	<u>(3,781,448)</u>

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 liability

24 Analysis of group net assets between funds

Current reporting period

	General fund	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	953,962	-	-	953,962
Net current assets/(liabilities)	1,009,161	-	102,892	1,112,053
Provision for pension liability	-	(13,201,000)	-	(13,201,000)
Total	<u>1,963,123</u>	<u>(13,201,000)</u>	<u>102,892</u>	<u>(11,134,985)</u>

Previous reporting period

	General fund	Designated funds	Restricted funds	Total
	£	£	£	£
<i>Tangible fixed assets</i>	226,190	-	-	226,190
<i>Net current assets/(liabilities)</i>	2,225,013	-	-	2,225,013
<i>Provision for pension liability</i>	-	(6,217,000)	-	(6,217,000)
Total	<u>2,451,203</u>	<u>6,217,000</u>	<u>-</u>	<u>(3,765,797)</u>

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	
	2021	2020	2021	2020
	£	£	£	£
Land and buildings:				
Less than one year	120,000	264,684	120,000	264,684
One to five years	480,000	1,058,736	480,000	1,058,736
Over five years	420,000	1,213,135	420,000	1,213,135
	<u>1,020,000</u>	<u>2,536,555</u>	<u>1,020,000</u>	<u>2,536,555</u>

Notes to the accounts for the year ended 31 March 2021 (continued)

25 Operating lease commitments (Continued)

The 2021 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

	2021 £	2020 £
Net income/(expenditure) for the year	(811,188)	(537,796)
Adjustments for:		
Depreciation charge and disposals	181,292	92,591
Dividends, interest and rents from investments	(6,855)	(73,325)
Decrease/(increase) in stock	(3,906)	-
Decrease/(increase) in debtors	108,796	34,444
Increase/(decrease) in creditors	483,422	(282,272)
Pension scheme adjustments	425,999	825,000
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	377,560	58,642
	<hr/> <hr/>	<hr/> <hr/>

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 2019 amounted to £23,844 million. The funding level of the Fund as measured using the actuarial method of valuation was 102% as at 31 March 2019.

A full actuarial valuation was carried out at 31 March 2019 by a qualified independent actuary. The principal long term assumptions used by the actuary at that date were:

Discount rate	3.6 % per annum
Inflation assumption	2.3 % per annum
Expected rate of salary increases	3.1 % per annum

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)**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 2019). 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 2021. The significant assumptions used by the actuary have been as below.

Key assumptions

	2021 %pa	2020 %pa
Discount rate	2.1	2.3
Expected rate of increase of pensions in payment	2.8	1.8
Expected rate of salary increases	3.6	2.6

Mortality assumptions

	2021 years	2020 years
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Assumed life expectations on retirement at aged 65:

Retiring today:

- Males	20.5	20.5
- Females	23.3	23.1

Retiring in 20 years

- Males	21.9	22
- Females	25.3	25

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 60% 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.

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)

Sensitivity analysis (continued)

	2020/ 21		2019/20	
	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
Changes in assumptions				
0.5% decrease in real discount rate	13%	5,987,000	12%	4,173,000
0.5% increase in the salary increase rate	1%	636,000	1%	468,000
0.5% increase in the pension increase rate (cpi)	11%	5,224,000	11%	3,668,000

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% (2020: 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).

Impact on the accounts

	2021 £	2020 £
The amounts charged or (credited) in the Statement of Financial Activities are as follows:		
Current service cost	830,000	1,078,000
Net interest on defined benefit liability	146,000	269,000
Past service cost	-	3,000
	<u>976,000</u>	<u>1,350,000</u>
Other recognised (gains) or losses:		
Actuarial return on scheme assets	(5,231,000)	4,706,000
Less: calculated interest element	-	-
	<u>(5,231,000)</u>	<u>4,706,000</u>
Actuarial changes relating to obligations	11,789,000	(9,785,000)
Total cost/(income)	<u>6,558,000</u>	<u>(5,079,000)</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 obligatio	46,618,000	33,528,000
Fair value of plan assets	(33,417,000)	(27,311,000)
	<u>13,201,000</u>	<u>6,217,000</u>
Deficit in scheme		

Notes to the accounts for the year ended 31 March 2021 (continued)

27 Retirement benefit scheme (continued)***Impact on the accounts (continued)***

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

Other recognised losses/gains	(6,558,000)	5,079,000
Current service cost	(830,000)	(1,078,000)
Contributions paid by employer	550,000	519,000
Net interest on defined benefit liability	(146,000)	(269,000)
Past service cost	-	3,000
(Increase)/decrease in liability	(6,984,000)	4,254,000

Movements in the present value of defined benefit obligations

Liabilities brought forward	33,528,000	41,498,000
Current service cost	830,000	1,078,000
Past service cost	-	3,000
Benefits paid	(466,000)	(484,000)
Contributions from scheme members	160,000	169,000
Remeasurements:		
Changes in financial assumptions	11,921,000	(3,311,000)
Changes in demographic assumptions	205,000	(991,000)
Other experience	(337,000)	(5,483,000)
Interest cost on defined benefit obligations	777,000	1,049,000
Liabilities carried forward	46,618,000	33,528,000

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

Wholly unfunded obligations	-	-
Wholly funded obligations	46,618,000	33,528,000
	46,618,000	33,528,000

27 Retirement benefit scheme (continued)***Movement in the fair value of plan assets***

Opening fair value of the scheme assets	27,311,000	31,027,000
Interest income on plan assets	631,000	780,000
Contributions by employer	550,000	525,000
Contributions by members	160,000	169,000
Benefits paid	(466,000)	(484,000)

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

Return on assets excluding amounts included in net interest	5,231,000	(4,706,000)
	33,417,000	27,311,000
	33,417,000	27,311,000

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

	%	%
Equities	72	69
Bonds	12	15
Property	7	7
Cash	9	9

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

	£	£
Equities	24,060,240	18,844,590
Bonds	4,010,040	4,096,650
Property	2,339,190	1,911,770
Cash	3,007,530	2,457,990
	33,417,000	27,311,000
	33,417,000	27,311,000

Review of the 2021 results

Assets

In the year ending 31 March 2021, investment returns have been significantly greater than expected (compared to last year's accounting discount rate assumption). As such, this has resulted in a £5,231,000 increase in the fair value of the scheme assets.

Obligations

The remeasurements in the obligations rollforward 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 2021, the real discount rate has fallen compared to 31st March 2020. This is due to the combination of a lower discount rate assumption and a significantly higher CPI assumption. This has resulted in an increase to the liabilities of £11,921,000 .
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27 Retirement benefit scheme (continued)

Review of the 2021 results- Obligations (continued)

Changes in demographic assumptions	Using a more up-to-date longevity assumption as at 31st March 2021 has resulted in an increase of the liability of £205,000.
Changes in other experience	The 'other experience' item captures the positive impact of applying the actual Pensions Increases Order for April 2021 of 0.5%, as it is lower than the pension increase rate assumption built

Notes to the accounts for the year ended 31 March 2021 (continued)

Impact of Covid-19

The main impacts of the Covid-19 pandemic, and subsequent lockdowns, on the FRS102 accounting figures can be summarised as follows:

- Asset returns and values have followed market movements prompted by the pandemic and lockdowns, among other factors, which has therefore impacted the asset share value;
- Bond yields and inflation expectations have also followed market movements, which will therefore affect the obligations value;
- Life expectancy assumptions have not been updated as the data is not yet available to make an evidence based assessment on the pandemic's impact on longer term expectations.

Future impact

The projected charge to the SOFA for the year ending 31 March 2022 is likely to significantly increase compared to the charge for this year, as a result of the significantly lower real discount rate as at 31st March 2021.

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 2019 it was determined that Positive Steps were to pay 22.4% contributions per annum for the foreseeable future, a marked increase on the previous contribution. The next triennial valuation is due to be completed as at 31 March 2022.

Positive Steps anticipates paying £548,000 in expected employer's contributions to the scheme in 2021/22.

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.

28 Prior period adjustment

	Unrestricted funds	Restricted funds	Total
	£	£	£
Funds brought forward as previously stated	2,308,199	-	2,308,199

FRS102 (SORP) income recognition

Positive Steps Oldham

Notes to the accounts for the year ended 31 March 2021 (continued)

Early Help:			
Income previously incorrectly deferred	250,270	-	250,270
Subcontractor costs - missing accrual	(67,869)	-	(67,869)
Children in Need - deferred income correction	-	15,651	15,651
 <i>Corrections to accruals</i>			
Holiday pay accrual	(55,048)	-	(55,048)
Funds carried forward as restated	2,435,552	15,651	2,451,203

FRS102 (SORP) income recognition

Prior period errors were noted in relation to the Early Help and Children in Need income from charitable activities. Errors resulted due to incorrect application of the FRS102 (SORP) income recognition policy.

Corrections to accruals

Prior period error noted in respect of accruals due to the lack of a holiday pay accrual as at 31st March 2020 of £55,048 which has been deemed a material error and hence a prior period adjustment posted.