

**Company Registration Number: 5241249**  
**Charity Number: 1111252**

**PURE INNOVATIONS LIMITED**

**A COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS**

**For the year ended  
31 March 2024**

**PURE INNOVATIONS LIMITED**

**Financial Statements**  
**Year ended 31 March 2024**

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# PURE INNOVATIONS LIMITED

## Legal and Administrative Details

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<b>Company number</b>	5241249
<b>Charity number</b>	1111252
<b>Registered office</b>	Prospect House Newby Road Industrial Estate Newby Road Hazel Grove Stockport SK7 5DA
<b>Principal address</b>	Prospect House Newby Road Industrial Estate Newby Road Hazel Grove Stockport SK7 5DA
<b>Trustees</b>	Miss N Hinton Mrs H White Mrs L Powis Ms J Walker Mr P Greenhalgh Mr C Hemingway Mr S Bradshaw (appointed 09/01/24)
<b>Corporate Management Team</b>	Mr S Brierley - Director of Finance Mrs L Parrott-Bates - Chief Executive Mr P Locke - Director of Infrastructure Miss Monika Wieczorek-Alhamoud - HR Director Mrs A Noon - Director of Learning and Development
<b>Bankers</b>	The Co-operative Bank Plc 1 Balloon Street Manchester M4 4BE
<b>Auditors</b>	Mitchell Charlesworth (Audit) Limited 3rd Floor 44 Peter Street Manchester M2 5GP

# PURE INNOVATIONS LIMITED

## Trustees' Report

Year ended 31 March 2024

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The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### Purposes and Activities

Pure Innovations aims to foster and promote for the benefit of the public, the advancement of education, the relief of poverty and sickness and for any other charitable purposes by all or any of the following means:

- The relief of unemployment for the public benefit in such ways as may be thought fit, including assistance to find employment.
- The advancement of education, training or re-training, particularly amongst unemployed people and providing unemployed people with work experience and among the providers of education, training and work experience to beneficiaries of the Charity.
- The provision or assistance in the provision of care and recreational facilities in the interests of social welfare for those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities with the object of improving the beneficiaries' conditions of life.

The overall aim is to promote independence, increase choice and provide more appropriate support to people to make the most of their capacity and potential.

Following the transfer of the undertaking from Stockport MBC Social Services Department on 1st July 2005, the following activities have been developed:

Care activities- provide support for clients right across the disability spectrum including learning disability, mental or physical / sensory disability, assisting them as individuals to develop skills, independence and wellbeing as much as possible.

This could be undertaken within our catering services offer. In the four cafes which we run we offer training opportunities in customer care, health and safety and food hygiene. We have transformed one of our previous cafes into a space producing bread and cake supplying both our own cafes and small independent cafes in the area. All produce is made by our clients with a disability.

Other opportunities exist through the One Voice, which seeks to raise awareness throughout Stockport of the issues faced by people who are from the most disadvantaged area by producing material for a community radio station. We also have various arts,, and animation offers in various locations and we are looking to develop and broaden these for the benefits of the client group. This has included developing a ceramics, animation and gaming offer to our clients in Stockport.

Throughout this document the people we support are referred to as clients, students or learners depending on the service activity.

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2024

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**Employment Services** – these seek to find employment for the long term unemployed and socially disadvantaged people who are not catered for, or who have been rejected by mainstream service providers. We work in partnership with large public sector and private sector employers to educate, encourage and support them to employ a diverse workforce including disabled people. An important part of this service is to seek ways of retaining employment for such people who may be at risk of losing their employment status. To support employers, we run disability awareness training to the workforce free of charge – allowing them to diversify their workforce and upskill their existing workforce.

We also deliver a variety of **Education and Training** courses, both accredited and non-accredited courses, including our travel training programme which operates in several boroughs in Greater Manchester. The approach in this area is to maximise the independence and skills ultimately increasing life chances in partnership with education providers to ensure employment outcomes are an aspiration for young people with special educational needs. We deliver 11 Supported Internship sites across Greater Manchester in conjunction with large corporate and public sector organisations to increase the number of people in employment.

**Pure College** became operational in September 2022 and opened its doors as a post 16 specialist college for young people with an Education Health and Care Plan. The courses delivered aim to prepare people for independence and employment to give them increased opportunities to secure long term employment and the necessary skills associated to that. Each student works towards achieving a certificate with the awarding body Open Awards. This has allowed the charity to draw down income from a new stream of funding from the Department of Education otherwise only accessible to approved education providers.

**Community Hub**– we have a direct contract with Stockport MBC to provide a contact point for any individual in the Borough who has a social need and, by use of sub-contractors or sometimes the provision of services, we provide to meet as many of those identified needs. This preventative works aims to delay or prevent the escalation of health and social care services, addressing the growing concern around loneliness and isolation experienced by so many in communities. We aim to improve individuals' wellbeing by reducing social isolation and connecting people to their communities with a sense of purpose and meaning. The Community Hub offers a safe space to allow people to connect meaningfully to their local communities to build a network of support and aid resilience and self-support.

**The Mental Health Network** contracted by Stockport MBC supports people with enduring mental health concerns to offer community integration and connectivity with areas of interest. The Network adopts a holistic approach to wellbeing and health including access to complex caseworkers, thus providing a specialist counselling service. The team manage several support and peer groups and additional intensive therapy-based counselling sessions – all with the aim to allow people the resources, insight and networks of support to maintain a level of well-being - resulting in them being less reliant on clinical interventions and prevention of escalation into intensive and costly services and restricted provision. This work has opened opportunities to direct funding and commissioning from the NHS.

Greater Manchester Combined Authority has contracted with us to deliver a **Specialist Supported Employment Service** covering the ten Greater Manchester Local Authority areas. The aim is to secure employment for people with a mental health or learning disability diagnosis.

We support over 300 clients with a learning disability or on the ASD spectrum across Greater Manchester to have fulfilled days with meaning and purpose, leading to many people integrated within their local communities to work in projects of interest that build independence, social skills, confidence, and community engagement. Many of these projects have become a valuable community resource and our clients have contributed to these in many ways.

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2024

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### Public benefit

The main activities are outlined in the section above. They are all undertaken to further the charity's purpose for the public benefit, with due regard to the Charity Commission's guidance on this subject, including the guidance "Public benefit: running a charity (PB2)."

### Achievements and Performance

We provide a range of support services across Greater Manchester. Over the course of the year, we have secured paid work for 249 people; 53 young people have been trained to use public transport independently; 25 young people are on track to achieve accreditation for learning. We have supported 372 people in our Pure Support and care to engage in meaningful activities and 2,293 people are better connected to their communities or have been supported through our mental health network and talking therapies.

The activities provided for the clients were in the areas of:

- Arts, Pottery and Drama
- Catering and Retail
- Greenspace
- Health and Wellbeing
- Talking Therapy
- Learning Programmes – Work and Life skills
- Pre-Employment and Placement
- Supported in-house session
- Supported Internship
- Travel Training
- Supported Employment
- Health and wellbeing
- Cookery and Baking
- Sport and Exercise
- Music and Dance
- Health and Beauty
- IT
- Woodwork

We survey our clients on a regular basis, and some of the recent outcomes are listed below.

In our most recent venture in opening **Pure College** our students have told us the following:

Do you feel safe at College	100 % responded yes
You are learning at College	92 % responded yes
You are becoming more independent at College	75 % responded yes
The course is preparing you for work	83 % responded yes
You have made friends at College	100% responded yes

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2024

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In terms of **Supported Employment Services**, people told us the following:

Do you feel that your employment goals were achieved	100% responded yes
Do you feel that you were given the preparation for work	100% responded yes
Do you feel that we understood your aspirations and help identify your goals	100% responded yes

In our **Support and Care** provision they told us the following:

Are staff caring and kind	95% responded yes
Do you enjoy the project you attend	95% responded yes
Do you feel you're listened to and heard	100% responded yes

Our **staff survey** resulted in 70% of staff completing and telling us the following:

I feel valued and recognised for the work I do	84% responded yes
We all take Health and Safety seriously	99% responded yes
Senior leaders make the effort to listen to the team	84% responded yes
I think I have a good balance between my work and personal life	93% responded yes
I feel the work I do at Pure positively impacts on clients lives	99% responded yes
I feel Pure cares about my wellbeing and mental health	92% responded yes

Pure College – established in September 2022 with 10 young people with an Education Health and Care Plan a specialist post 16 college provision. The number of students grew to 28 students by January 2024 and has proven to be successful meeting a gap in provision in the Stockport area. This attracts the Department for Education funding with top up funding from the Local Authority that each student resides in.

### Financial review

We have managed to achieve another year of profitable trading. This has been achieved despite austerity measures in the public sector continuing to impact upon most income streams of the business and this still constitutes a major challenge for the foreseeable future.

The main sources of income are in delivery of services funded by local authorities, colleges and through other government contracts. However, there is an increasing reliance upon clients in charge of their own budgets, opting to use that money to spend on our service delivery to them. We are seeking to provide a level of service which goes beyond just retaining those individuals but adding to their number.

The charity's profit for the year (excluding pension service costs) at £204k .

Outside of the underlying performance of the charity, the net movement in funds is also affected by actuarial movements between years on the pension fund. Actuarial adjustments reported by Hymans Roberts LLP, the Scheme Actuaries has resulted in a movement from a surplus of £3.665m to a surplus of £4.620m a movement of £955k, this followed an increase in the reserve the previous year of £6.427m. This has arisen due to various changes in long

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued) Year ended 31 March 2024

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term actuarial assumptions. The impacts of these changes arising from the revision of the assumptions used by the Actuaries are outlined in more detail in note 22 to these accounts.

The risk register identifies the major risks as being around the loss of key staff and generally high staff turnover in the business, reductions in income for delivery of core services in response to public sector austerity cuts and the impact of failures of IT systems.

We raised salary levels for our main body of operational staff by a further 10.1% from 1st April 2023, and a similar percentage from 1st April 2024, in response to the identified risk and that has resulted in a better recruitment and retention of those types of employees. We are also investing in new IT systems that will add to our operational efficiency, although the risk of failure of those systems is a constant risk which we continue to monitor regularly.

### Pure Insight 1628

Pure Insight is a charity within the charity of Pure Innovations Ltd. It is separately registered and commenced activities on 1st April 2014 to extend and continue to work with young people attaining adulthood in their transition to Independence from the Social Care System. For reasons of operational efficiency, the Boards of Pure Innovations and Pure Insight decided that the company was to become independent and this was achieved on 10th May 2023.

### Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergencies.

The Board have determined that they wish to achieve a minimum level of reserves based upon potential costs of closure and risk related costs of terminating contracts. The current level of reserves exceeds this minimum level of reserves, and the Board will make decisions in the coming months as to how its reserves more than the minimum may be best utilised for the benefit of the company's beneficiaries. At the same time the Trustees are considering what further reserves to hold to allow for future investment.

### Investment powers and policy

The investment approach has been reviewed to ensure that the company's cash balances are as secure as possible and that an element of those balances are invested with a view to retaining their spending power after taking into account the effect of inflation.

### Plans for future periods

There has been investment in the business, principally in IT systems, and upgrading of properties we occupy, either by internal refurbishment or moving to more appropriate buildings. The intention is that this will ultimately improve our performance and profitability, continuing to retain our existing contracts that align to our strategic objectives, bid for work in our area of knowledge and expertise and grow new funding streams.

### Research and development activities of the charity

We continue to look at identified areas of good practice across the UK to replicate and enhance our offer and therefore improve the outcomes for disabled and disadvantaged people in our communities.

Over the past 12 months, we have been investing in becoming a more digitally aware organisation meeting the needs of younger people coming into our service. Our ambition is to become a paperless organisation as most of our work is remote in the community and access needs to be on-line.

Our work replicates part of the government's agenda of supporting as many people as possible into employment who are in receipt of benefits. We will pilot new initiatives to achieve this with people furthest away from the labour market.



# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued) Year ended 31 March 2024

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### Structure, governance and management

#### Governing Document

The organisation is a charitable company that is limited by guarantee. The company was incorporated on 24th September 2004 and registered as a charity on 12th September 2005. The Company was established under a Memorandum of Association which defines the objects and powers of the charitable company and is governed under its Articles of Association. After the end of the financial year a resolution was passed to amend the Articles Of Association and the board of trustees have approved amended internal governance rules.

#### Recruitment and appointment of Trustees

Members of the Board of Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles of Association are known as Trustees. Under the requirements of the Memorandum and Articles of Association trustees are appointed for a term of 3 years that can be renewed for a further 2 terms of 3 years and in exceptional circumstances, if 75% of the the members think that it is in the best interest of the charity, they can be appointed for a further period.

#### Trustee induction and training

We have developed a trustee induction pack, and training is undertaken with the trustees in accordance with the training plan identified following annual trustee appraisals.

#### Reference and administrative details

Reference and administrative details are shown in the legal and administrative details page of the financial statements.

#### Organisation

The directors of the charitable company (the Charity) are its trustees for the purpose of Charity law and directors for the purpose of Company law. The trustees who served the charity during the year were as follows:

#### Key management personnel: Trustees' and Directors

Joint Chair:	Ms N Hinton Ms J Walker
Trustees:	Mrs H White Mrs L Powis Mr P Greenhalgh Mr C Hemingway Mr S Bradshaw (appointed 9 <sup>th</sup> January 2024)

#### Key management personnel: Executive Management Team

Director of Finance	Mr S Brierley
Chief Executive	Mrs L Parrott-Bates
Director of Infrastructure	Mr P Locke
Director of Learning and Development	Mrs A Noon
HR Director	Miss Monika Wieczorek-Alhamoud

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2024

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The Board of Pure Innovations meets every 8 weeks, and they are responsible for the strategic direction and policy of the charity. A scheme of delegation is in place and day-to-day responsibility for the provision of services rests with the Chief Executive and other members of the Executive Management Team. The Chief Executive has overall responsibility for ensuring that the charity delivers the services specified through the day-to-day operational management of the company, and individual supervision of the other members of the Executive Management Team.

### Employees and employment of disabled persons

Pure Innovations recognises its role and responsibilities within the local community in identifying and removing those barriers, which prevent disabled people from sharing equally in the rights, benefits, obligations and opportunities to undertake meaningful employment. Pure Innovations actively encourages the employment of colleagues with a disability and is recognised as a Disability Confident Employer by the DWP. We have a strong track record in attracting and retaining people with a disability at all levels of the charity. We regularly make reasonable adjustments for new and existing colleagues to provide holistic support to enable them to fully participate in the workplace and fulfil their potential. At Pure Innovations, 11.5% of the current workforce identifies as having some form of disability. We believe this to be a conservative figure as some employees chose not to declare their disability or do not regard themselves as such.

Pure recognises that as a specialist employer in the local community it has the opportunity to achieve a significant impact on opportunities for disabled people via the development of its employment policy and promotion of work-related positive action initiatives. These help to counteract longstanding disadvantages in gaining access to work and remaining in employment should a person become disabled during their working lives.

Pure Innovations is committed to the creative use of existing resources and the development of imaginative initiatives including job tasters, job trials and job carving. This is enhanced by regular staff briefings and newsletters, team meetings, supervisions and an appraisal system which identifies training and development needs. Within the Pure group there is an exchange of good practice, staff attend disability awareness training and successful developments are promoted on our website and in our social media. Our vacancies are advertised concurrently, internally and externally and staff are encouraged to apply for promotion when they feel ready to do so. We have a succession policy in place which identifies and supports those we see as the potential future leaders of the charity.

### Employee involvement

Involving all employees is fundamental to how the Company operates, with open communication at all levels. The group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect them.

Employee involvement is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the concern plays a major role in maintaining and growing its position.

New employees attend an induction process during the early days of their employment. Included within the induction phase is a session on the company's values which underpins the company's approach to staff, volunteers and service users. Pure's values are as follows:

Respectful .....	Always treat people the way you would wish to be treated no matter what the situation.
Responsive .....	By listening to others, we solve problems by finding solutions.
Aspirational .....	Achieve the best possible outcomes by continually improving what we do.
Inclusive .....	We are welcoming and involve all in what we do.

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2024

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### Pay policy for senior staff

The pay of the Executive Management Team has been determined by the Board of Directors.

### Related parties and co-operation with other organisations

Helen White is director of a marketing organisation to which Pure Innovations pays a small annual subscription, none of our trustees receive remuneration or other benefit from their work with the charity.

We have several partnership links outside of the contractual relationships identified above, these partnerships links are with a wide variety of organisations who we work in collaboration with.

### Risk management

A risk register has been prepared using Charity Commission guidance on the subject. These have been approved by the Board of Trustees and amended (where appropriate) to changes in the organisation and also in external factors. The risks are identified along with the potential impact and the steps to mitigate risk. Each risk is then scored by using the formula  $(a+b+b)$  where  $a$  = Likelihood and  $b$  = Potential impact, and those with a deemed high score are subject to review and action to monitor the major risks.

### Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also directors for the purpose of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom in governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2024

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### Auditor

Mitchell Charlesworth were appointed as auditor at the last AGM in April 2024 and in accordance with Section 485 of the Companies Act 2006, a resolution proposing their re-appointment will be put forward to the next General Meeting.

### Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditors is unaware; and
- The trustees, having made enquiries of fellow directors and the group's 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 auditor is aware of that information.

By order of the trustees



**N Hinton**

Trustee

Date 16<sup>th</sup> October 2024

# PURE INNOVATIONS LIMITED

## Independent Auditor's Report to the Members of Pure Innovations Limited Year ended 31 March 2023

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### Opinion

We have audited the financial statements of Pure Innovations Limited for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet and Statement of Cashflows 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 charity's affairs as at 31 March 2024, and of the charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

# PURE INNOVATIONS LIMITED

## Independent Auditor's Report to the Members of Pure Innovations Limited

Year ended 31 March 2023

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report.
- sufficient accounting records have not been kept.
- the parent charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement the trustees (who are also the 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 charity'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 parent charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2022 and report in accordance with regulations made under section 154 of that Act.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with the laws and regulations, we considered the following:

## Independent Auditor's Report to the Members of Pure Innovations Limited Year ended 31 March 2023

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### Audit response to risks identified

- the nature of the sector, control environment and business performance.
- results of our enquiries of management about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to the identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of noncompliance. Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud and the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to the correct treatment of grant income, including the correct use of restricted funds and any grant income due to be repaid to funders as a result of financial or performance-based conditions imposed, not being achieved. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override and we identified risk in relation to the posting of unusual journals and the manipulation of accounting estimates.

We also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included Safeguarding, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK (FRS 102), and the Companies Act 2006.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Data Protection Regulations.

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

### Audit response to risks identified

As a result of performing the above, we identified the recognition of revenue as the key audit matter related to the potential risk of fraud.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements.
- enquiring of management and members of the board concerning actual and potential litigation and claims.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

# PURE INNOVATIONS LIMITED

## Independent Auditor's Report to the Members of Pure Innovations Limited Year ended 31 March 2023

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We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Mitchell Charlesworth*

18 December 2024

**Alison Buckley (Senior Statutory Auditor)**  
**For and on behalf of Mitchell Charlesworth (Audit) Limited**

**Statutory Auditor**

3<sup>rd</sup> Floor  
44 Peter Street  
Manchester  
M2 5GP

Mitchell Charlesworth (Audit) Limited is eligible to act an auditor in terms of section 1212 of the Companies Act 2006.



# PURE INNOVATIONS LIMITED

## Statement of Financial Activities (incorporating income and expenditure account)

Current Year - Year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Pension £	Total Funds 2024 £
<b>Income</b>					
Donations and legacies	5	-	-	-	-
Other trading income	6	-	-	-	-
Income from charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	7	8,444,457	-	-	8,444,457
Investment Income	8	49,580	-	173,000	222,580
<b>Total income</b>		<b>8,494,037</b>	<b>-</b>	<b>173,000</b>	<b>8,667,037</b>
<b>Expenditure</b>					
Expenditure on charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	9	8,289,586	-	47,000	8,336,586
<b>Total expenditure</b>		<b>8,289,586</b>	<b>--</b>	<b>47,000</b>	<b>8,336,586</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>204,451</b>	<b>-</b>	<b>126,000</b>	<b>330,451</b>
Other recognised losses	11	(286,426)	(275,854)	-	(562,280)
<b>Net incoming resources before other recognised gains and losses</b>		<b>(81,975)</b>	<b>(275,854)</b>	<b>126,000</b>	<b>(231,829)</b>
Actuarial profit on defined benefit pension scheme		-	-	829,000	829,000
<b>Net movement in funds</b>		<b>(81,975)</b>	<b>(275,854)</b>	<b>955,000</b>	<b>597,171</b>
Total funds brought forward		3,134,494	275,854	3,665,000	7,075,348
<b>Total funds carried forward</b>		<b>3,052,519</b>	<b>-</b>	<b>4,620,000</b>	<b>7,672,519</b>

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

# PURE INNOVATIONS LIMITED

## Statement of Financial Activities (incorporating income and expenditure account)

Prior Year - Year ended 31 March 2023

	Notes	Unrestricted Funds	Restricted Funds	Pension	Total Funds 2023
		£	£	£	£
<b>Income</b>					
Donations and legacies	5	13,008	-	-	13,008
Job retention scheme grant		-	-	-	-
Other trading income	6	2,778	-	-	2,778
Income from charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	7	7,427,390	573,330	-	8,000,720
Investment Income	8	11,619	-	-	11,619
<b>Total income</b>		<u>7,454,795</u>	<u>573,330</u>	<u>-</u>	<u>8,028,125</u>
<b>Expenditure</b>					
Expenditure on charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	9	<u>7,313,184</u>	<u>524,392</u>	<u>203,000</u>	<u>8,040,576</u>
<b>Total expenditure</b>		<u>7,313,184</u>	<u>524,392</u>	<u>203,000</u>	<u>8,040,576</u>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		<u>141,611</u>	<u>48,938</u>	<u>(203,000)</u>	<u>(12,451)</u>
Actuarial profit on defined benefit pension scheme		<u>-</u>	<u>-</u>	<u>6,427,000</u>	<u>6,427,000</u>
<b>Net movement in funds</b>		<u>141,611</u>	<u>48,938</u>	<u>6,224,000</u>	<u>6,414,549</u>
<b>Net transfer between funds</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds brought forward		<u>2,992,883</u>	<u>226,916</u>	<u>(2,559,000)</u>	<u>660,799</u>
<b>Total funds carried forward</b>		<u>3,134,494</u>	<u>275,854</u>	<u>3,665,000</u>	<u>7,075,348</u>

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

# PURE INNOVATIONS LIMITED

## Balance Sheet

Year ended 31 March 2024

	Notes	£	2024 £	2023 £
<b>Fixed assets</b>				
Tangible assets	15		439,185	503,401
Investments	16		213,002	388,136
			<u>652,187</u>	<u>891,537</u>
<b>Current assets</b>				
Stocks	17	57,871		53,633
Debtors	18	2,018,286		1,240,561
Investments	19	19,435		3,895
Cash at bank and in hand		825,686		1,794,428
			<u>2,921,278</u>	<u>3,092,517</u>
Creditors: amounts falling due within one year	20	(520,946)		(573,706)
<b>Net current assets</b>			<u>2,400,332</u>	<u>2,518,811</u>
<b>Total assets less current liabilities</b>			<u>3,052,519</u>	<u>3,410,348</u>
Defined benefit pension scheme asset/(liability)	22		4,620,000	3,665,000
<b>Total net assets</b>			<u>7,672,519</u>	<u>7,075,348</u>
<b>Funds</b>				
Unrestricted funds:				
General	23		3,052,519	3,134,494
Pension fund reserve	23		4,620,000	3,665,000
<b>Total funds</b>			<u>7,672,519</u>	<u>6,799,494</u>
Restricted funds	24		-	275,854
			<u>7,672,519</u>	<u>7,075,348</u>

These financial statements were approved by the members of the committee on 16/10/24 and are signed on their behalf by:



N Hinton  
Trustee

Company Registration No. 5241249 (England and Wales)

# PURE INNOVATIONS LIMITED

## Consolidated Statement of Cash Flows Year ended 31 March 2024

		2024		2023	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated in operating activities	26		(1,006,707)		261,692
<b>Cash used in investing activities</b>					
Purchase of tangible fixed assets		(195,798)		(272,743)	
Disposal proceeds of tangible fixed assets		-		37,635	
Disposal of Investments		267,496		-	
Purchase of Investments		(83,313)		(400,000)	
Interest income		49,580		11,619	
<b>Net cash used in investing activities</b>			37,965		(623,489)
<b>Net increase in cash and cash equivalents</b>			(968,742)		(361,797)
Cash and cash equivalents at beginning of year			1,794,428		2,156,225
<b>Cash and cash equivalents at end of year</b>			825,686		1,794,428

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

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### 1. Company information

Pure Innovations Limited is a private company limited by guarantee and incorporated in England and Wales. The registered office is Unit 5, Station View, Hazel Grove, Stockport, SK7 5ER.

### 2. Accounting Policies

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

#### Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Going concern

The Trustees have assessed whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Having regard to these matters the Trustees consider it appropriate to prepare the financial statements on a going concern basis.

#### Income

Income is the amount derived from the provision of goods/services and stated after trade discounts, other sales taxes, and VAT where applicable.

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. Grants are deferred to future periods only when this is specified by the funder or other preconditions of the grant are not yet met.

Investment income is recognised on a receivable basis.

## 2. Accounting Policies (continued)

### Expenditure

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 are the direct and indirect costs of raising funds for charitable purposes, including applying for grants.
- Charitable activities include expenditure associated with the delivery of its activities and services provided for its beneficiaries and include both the direct costs and support costs relating to these activities.
- Support costs include central functions and have been allocated to activity cost categories directly as well as indirectly, based on an appropriate basis as detailed in the accounts.
- Other expenditure represents those items not falling into any other heading.

### Funds structure

- Restricted funds are funds subject to specific restrictive conditions imposed by the donor or by the purpose of the contract / monies received. The purpose and use of restricted funds is set out in note 26 to the financial statements.
- General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are funds which have been allocated or designated for specific purposes by the charity out of unrestricted funds.

### Volunteers

The value of services provided by volunteers is not included in the financial statements.

### Donated goods, services, and facilities

On any occasion where goods and services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity. Any goods given to the charity and held for stock are only recognised in the year that the goods are distributed or used.

### Tangible fixed assets

All fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

IT equipment	- 33% of cost
Catering equipment	- 20% of cost
Fixtures and fittings	- 25/33% of cost
Leasehold improvements	- 10/20% of cost
Motor vehicles	- 33% of cost

## 2. Accounting Policies (continued)

### Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives, or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

### Stocks

Stock is included at the lower of cost or net realisable value.

### Pensions

The company operates two pension schemes for employees.

Employees of Pure Innovations Limited have been eligible to join the Greater Manchester Pension Fund, which is a defined benefit scheme. It is funded by contributions from employees and the Company as an employer. The assets of the scheme are held separately in a fund administered for the benefit of Local Authority employees and those other scheduled bodies.

Following auto enrolment, the charity also operates a defined contribution pension scheme operated by NEST. The assets of the scheme are held separately from those of the charity in an independently fully managed and administered fund. The amount charged represents the contributions payable to the scheme in respect of the accounting period.

### 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.

### Cash at bank and in hand

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

### 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.

### 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.

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

### 3. Legal status of the Charity

The company is limited by guarantee and all members have agreed to contribute an amount not exceeding £1 in the event of a winding up. The number of members at the year-end was 6 (2023: 8).

### 4. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

5. Donations and legacies	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Appeals and donations	-	-	-	13,008	-	13,008
6. Other trading income	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Commercial trading operations:						
Other services	-	-	-	2,778	-	2,778
	-	-	-	2,778	-	2,778
7. Income from charitable activities	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Care services	3,254,598	-	3,254,598	3,260,731	573,330	3,834,061
Supported employment	3,632,378	-	3,632,378	2,747,820	-	2,747,820
Catering	1,115,259	-	1,115,259	977,284	-	977,284
Other activities	442,222	-	442,222	441,555	-	441,555
	8,444,457	-	8,444,457	7,427,390	573,330	8,000,720



# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

8. Investment income	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Investment income	49,580	49,580	11,619	11,619
Pension finance income	173,000	173,000	-	-
	<u>222,580</u>	<u>222,580</u>	<u>11,619</u>	<u>11,619</u>

The investment income arises from interest bearing deposit accounts.

## 9. Analysis of expenditure on charitable activities - current year

	Care Services £	Employment Support £	Catering £	Other Activities £	Total 2024 £
Payroll, and wage costs	1,851,731	2,893,412	662,762	287,216	5,695,121
Pension service cost	18,135	20,240	6,215	2,410	47,000
Cost of sales and kitchen equipment	10,996	-	519,619	-	530,615
Premises costs	189,415	50,701	169,215	6,578	415,909
General administration	57,620	13,030	6,191	2,050	78,891
Travel and subsistence	63,526	66,892	4,140	3,256	137,814
Equipment	9,552	6,566	21,730	277	38,125
Depreciation	-	8,832	-	-	8,832
Pure Insight costs	-	-	-	-	-
Professional including IT	443	29,741	19,345	2,061	51,590
Support costs (note 10)	508,229	567,221	174,155	67,549	1,317,154
Governance	5,994	6,690	2,054	797	15,535
	<u>2,715,641</u>	<u>3,663,325</u>	<u>1,585,426</u>	<u>372,194</u>	<u>8,336,586</u>

Expenditure on charitable activities was £8,336,586 (2023: £8,040,576) of which £8,336,586 (2023: £7,516,184) was unrestricted and £Nil (2023: £524,392) was restricted.

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

### 9. Analysis of expenditure on charitable activities - prior year

	Care Services £	Employment Support £	Catering £	Other Activities £	Insight 1628 £	Total 2024 £
Payroll, and wage costs	1,651,017	2,161,835	639,117	271,352	-	4,723,321
Pension service cost	85,763	77,916	27,711	11,610	-	203,000
Cost of sales and kitchen equipment	4,120	-	457,878	-	-	461,998
Premises costs	203,735	30,568	119,719	4,164	-	358,186
General administration	51,004	18,771	8,329	1,692	-	79,796
Travel and subsistence	65,800	48,354	1,533	3,114	-	118,801
Equipment	8,383	2,955	13,360	572	-	25,270
Depreciation	-	2,552	-	-	-	2,552
Pure Insight 1628 costs	-	-	-	-	735,418	735,418
Professional including IT	592	13,831	17,407	3,604	-	35,434
Support costs (note 10)	540,032	490,619	174,492	73,106	-	1,278,249
Governance	7,837	7,120	2,532	1,062	-	18,551
	<u>2,618,283</u>	<u>2,854,521</u>	<u>1,462,078</u>	<u>370,276</u>	<u>735,418</u>	<u>8,040,576</u>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

### 10. Analysis of support costs - current year

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, these along with the remaining support costs, are attributed to the key charitable activities. These are allocated on a basis consistent with the income derived from the individual activities. Allocation between individual activities under any other basis is considered impracticable.

	Care Services £	Employment Support £	Catering £	Other Activities £	Total 2024 £
<i>Central support costs:</i>					
Payroll, and wages costs	236,185	263,600	80,934	31,391	612,110
Cost of sales and kitchen equipment	6	6	2	1	15
Premises costs	48,043	53,619	16,463	6,385	124,510
General administration	13,826	15,430	4,738	1,838	35,832
Travel and subsistence	4,589	5,122	1,573	610	11,894
Equipment	5,995	6,691	2,055	797	15,538
Depreciation	89,480	99,867	30,662	11,893	231,902
Professional including IT	83,334	93,007	28,556	11,076	215,973
Marketing	-	-	-	-	-
Irrecoverable VAT	21,086	23,533	7,225	2,803	54,647
Re-organisation costs	5,685	6,345	1,948	755	14,733
Governance costs:					
Audit	5,994	6,690	2,054	797	15,535
	514,223	573,910	176,210	68,346	1,332,689

### Analysis of support costs - prior year

	Care Services £	Employment Support £	Catering £	Other Activities £	Total 2023 £
<i>Central support costs:</i>					
Payroll, and wages costs	254,759	231,449	82,317	34,488	603,013
Cost of sales and kitchen equipment	(25)	(23)	(8)	(4)	(60)
Premises costs	51,404	46,700	16,609	6,959	121,672
General administration	31,522	28,638	10,185	4,267	74,612
Travel and subsistence	5,999	5,450	1,938	812	14,199
Equipment	5,582	5,071	1,804	756	13,213
Depreciation	98,728	89,694	31,900	13,365	233,687
Professional including IT	65,117	59,159	21,040	8,815	154,131
Marketing	-	-	-	-	-
Irrecoverable VAT	22,970	20,869	7,422	3,110	54,371
Re-organisation costs	3,976	3,612	1,285	538	9,411
	540,032	490,619	174,492	73,106	1,278,249
Governance costs:					
Audit	7,837	7,120	2,532	1,062	18,551
	547,869	497,739	177,024	74,168	1,296,800

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

<b>11. Net income/(expenditure) for the year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	240,734	242,018
Auditor's fees - for audit services	13,000	13,925
- for financial statements	1,500	2,250
Other recognised losses	562,280	-
	<u>          </u>	<u>          </u>

The other recognised losses relates to the transfer of the Pure Insight 1628 funds to the separate charity which carries on this work.

<b>12. Analysis of staff costs, trustees' remuneration and the cost of key management personnel</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages, salaries, and other staffing costs	5,685,623	4,787,932
Social security costs	429,067	351,810
Pension costs (including service cost)	239,541	389,592
	<u>          </u>	<u>          </u>
	<b>6,354,231</b>	<b>5,529,334</b>
	<u>          </u>	<u>          </u>

Pension funding within the Statement of Financial Activities includes £47,000 (2023: £203,000) in relation to the current service cost as included in the pension scheme note.

Two employee's (2023: one) had emoluments in excess of £60,000 (2023: £60,000). These employees fell into the following pay bands:

	<b>2024</b>	<b>2023</b>
	<b>No</b>	<b>No</b>
£60,000 - £69,999	1	1
£70,000 - £79,999	1	-
	<u>          </u>	<u>          </u>
	<b>2</b>	<b>1</b>
	<u>          </u>	<u>          </u>

The key management personnel of the charity comprise the trustees and the Corporate Management Team. The total company employee benefits of the key management personnel of the Trust were £353,440 (2023: £302,525).

A strong team of volunteers that support our operations have given their time in the period. No value has been attributed to volunteer time.

## 13. Staff numbers

The average monthly number of full time employed by the charity during the year was:

<b>2024</b>	<b>2023</b>
<b>No</b>	<b>No</b>
257	225
<u>          </u>	<u>          </u>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

### 14. Corporation tax

As a charity, the company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent they are applied to its charitable objectives. No corporation tax charge for the period was incurred by any of the trading subsidiaries and on this basis no provision has been made for corporation tax.

15. Tangible fixed assets	IT Systems £	Catering Equipment £	Fixtures and Fittings £	Leasehold Improvements £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1st April 2023	319,178	268,415	61,801	189,169	306,522	1,145,085
Additions	63,623	36,857	8,404	64,239	22,675	195,798
Disposals	(27,431)	(42,431)	(14,088)	-	(35,752)	(119,702)
Transfer Pure Insight	(15,596)	-	(9,756)	-	(19,999)	(45,351)
<b>At 31 March 2024</b>	<b>339,774</b>	<b>262,841</b>	<b>46,361</b>	<b>253,408</b>	<b>273,446</b>	<b>1,175,830</b>
<b>Depreciation</b>						
At 1st April 2023	170,386	202,694	43,731	54,023	170,850	641,684
Charge for the year	82,435	43,781	8,842	40,623	65,053	240,734
Eliminated on disposal	(27,431)	(42,431)	(14,088)	-	(35,752)	(119,702)
Transfer Pure Insight	(12,556)	-	(3,388)	-	(10,127)	(26,071)
<b>At 31st March 2024</b>	<b>212,834</b>	<b>204,044</b>	<b>35,097</b>	<b>94,646</b>	<b>190,024</b>	<b>736,645</b>
<b>Net book value</b>						
<b>At 31st March 2024</b>	<b>126,940</b>	<b>58,797</b>	<b>11,264</b>	<b>158,762</b>	<b>83,422</b>	<b>439,185</b>
At 31st March 2023	148,792	65,721	18,070	135,146	135,672	503,401

16. Investments	2024 £	2023 £
Market value at 1 April 2023	388,136	-
Additions at cost	83,313	400,000
Disposals at market value	(267,496)	-
Net (loss) on revaluation	9,049	(11,864)
Market value at 31 March 2024	213,002	388,136

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

<b>17. Stock</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Goods for resale	<u>57,871</u>	<u>53,633</u>
	<u><b>57,871</b></u>	<u><b>53,633</b></u>
<b>18. Debtors</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	<u>1,124,350</u>	<u>613,323</u>
Other debtors and prepayments	<u>893,936</u>	<u>627,238</u>
	<u><b>2,018,286</b></u>	<u><b>1,240,561</b></u>
<b>19. Current asset investments</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash on short-term deposits	<u>19,435</u>	<u>3,895</u>
	<u><b>19,435</b></u>	<u><b>3,895</b></u>
<b>20. Creditors: amounts falling due within one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	<u>139,645</u>	<u>114,094</u>
Other taxes and social security	<u>130,837</u>	<u>102,885</u>
Other creditors and accruals	<u>250,464</u>	<u>356,727</u>
	<u><b>520,946</b></u>	<u><b>573,706</b></u>
<b>21. Commitments under operating leases</b>		
The company leases its main business premises, several café premises and other equipment under formal operating leases. The lease agreements terminate between 2021 and 2026. At 31 March 2024 the company had annual commitments under non-cancellable operating leases as set out below.		
<b>Land &amp; buildings</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 1 year	<u>234,173</u>	<u>222,114</u>
Within 2 to 5 years	<u>277,833</u>	<u>416,383</u>
	<u><b>512,006</b></u>	<u><b>638,497</b></u>

#### 22. Retirement benefit schemes

##### Defined contribution scheme - NEST

New employees of the company are only able to join the National Employment Savings Trust (NEST) pension scheme. Under current legislations employees not in the GMPF are automatically enrolled into NEST unless they have exercised their right to opt out of scheme membership. This is a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The employee and employer contributions are 3% for employees and 5% for employers in 2024. Employer's contributions of £113,750 (2023 - £98,000) have been paid to this scheme in the year.

##### Defined benefit schemes - GMPF

The company operates a defined benefit scheme for employees. The scheme is an admitted body to the Greater Manchester Pension Fund. The GMPF scheme is a local government pension scheme and is administered by Tameside Metropolitan Borough in accordance with the Local Government Pension Scheme regulations. The assets of the scheme are held separately from those of the company. The contributions to the scheme are charged to the statement of financial activities so as to spread the costs of pensions over the service lives of the employees. Variations from the regular costs are spread over the average expected remaining working lives of current members of the scheme.

Members of the scheme may also contribute added years to that scheme or take out an Additional Voluntary Contribution Scheme, each of which is funded by the employee alone.

Members of the GMPF accrue an indexed linked pension of  $1/80^{\text{th}}$  of the best of the last 3 years pensionable service for each year of service. Additional benefits include a lump sum on retirement, continued (reduced) pensions for a spouse on death of a member and benefits for dependents on death or permanent incapacity. service.

The latest formal valuation of the scheme for the purposes of setting employers' actual contributions was on 31 March 2024.

Contributions to the scheme have been made during 2024 at rates that have been recommended by GMPF actuarial advisors. These are:

Employee - Banded rate based on pensionable earnings between 5.5% and 8.5%

Employer's – 18.7% of pensionable earnings

When the company joined GMPF on 1 July 2005 there was a transfer of employees from Stockport MBC. The transfer of pension arrangements was on a fully funded basis i.e. there was no transfer of deficit in the Fund attributable to the transferring employees (on the ongoing valuation basis) from Stockport MBC. It should be noted that the year-end valuation calculated under FRS17, showed a variation from the initial valuation which was made using a differing accounting convention.

The valuation in these financial statements assumes a notional re-allocation of assets in the Fund from Stockport MBC to Pure Innovations Limited on this basis.

##### Financial Assumptions

The key financial assumptions used are:	2024 % pa	2023 % pa
Inflation/pension increases	2.75%	2.95%
Salary Increases	3.55%	3.75%
Discount rate	4.85%	4.75%

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

### 22. Retirement benefit schemes (continued)

Mortality Assumptions	2024 Years		2023 Years	
	Current	Future	Current	Future
The period of pension drawdown:				
Male	20.2	21.1	20.4	21.3
Female	24.4	25.3	24.6	25.5

#### Key assumptions

##### *Life expectancy*

Life expectancy is based on the CMI 2021 model with a 0% weighting of 2021 (and 2020) data, standard smoothing (sk7), initial adjustment of 0.25% and a long-term rate of improvement of 1.5% pa.

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits.

##### *Discount rates*

In accordance with FRS 102 the discount rate used to place a value on the liabilities should be determined by reference to market yields on high quality corporate bonds at the reporting date. In addition, the currency and term of the high-quality corporate bonds used to set the discount rate should be consistent with the currency and term of the obligations.

Government bond yield curves are updated and available on a daily basis from the Bank of England. It is therefore relatively easy to identify a spot yield on Government bonds at any duration and at any date. Unfortunately, a similarly accessible corporate bond yield curve is not so readily available.

The discount rate should reflect the 'term' of the benefit obligation. 'Term' has been interpreted as the weighted average duration of the benefit obligation. This is broadly defined as 'the weighted average time until payment of all expected future discounted cashflows, determined based on memberships and the financial and demographic assumptions at a particular time' The shorter the duration, the more 'mature' the employer.

##### *Retail Prices Inflation*

This assumption is typically derived from yields available on fixed interest and index linked Government bonds and should be consistent with the derivation of the discount rate.

##### *Pension increases*

The pension increase assumption is set in line with the Consumer Prices Index (CPI) assumption. As a market in CPI linked bonds does not exist. Therefore, it is necessary to estimate the long-term gap between RPI and CPI in order to derive a CPI assumption for accounting purposes.

##### *Salary growth*

The assumption is generally consistent with the most recent actuarial valuation. An additional allowance for promotional salary increases is also made.



# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

22.	Retirement benefit schemes (continued)	Scheme Assets £	Scheme Liabilities £	Net Pension Liability £
	<i>Shown in the Statement of Financial Activities</i>			
	<i>Current year</i>			
	<i>Service cost</i>			
	Current service cost	-	(109,000)	(109,000)
	Past service cost	-	(21,000)	(21,000)
	<b>Total service costs</b>	-	<b>(130,000)</b>	<b>(130,000)</b>
	<i>Net Interest</i>			
	Interest income on plan assets	776,000	-	776,000
	Interest cost on defined benefit obligation	-	(603,000)	(603,000)
	<b>Total net interest</b>	<b>776,000</b>	<b>(603,000)</b>	<b>173,000</b>
	<i>Cashflows</i>			
	Employer's contributions	83,000	-	83,000
	Members' contributions	28,000	(28,000)	-
	Benefits paid	(375,000)	375,000	-
	<b>Total cashflows</b>	<b>(264,000)</b>	<b>347,000</b>	<b>83,000</b>
	<b>Total costs in Statement of Financial Activities</b>	<b>512,000</b>	<b>(386,000)</b>	<b>126,000</b>
	Opening position at 1 April 2023	16,461,000	(12,796,000)	3,665,000
	Changes in financial assumptions	-	772,000	772,000
	Changes in demographic assumptions	-	79,000	79,000
	Other experience	-	(418,000)	(418,000)
	Return on assets excluding net interest	396,000	-	396,000
	<b>Total remeasurements recognised in OCI</b>	<b>16,857,000</b>	<b>(12,363,000)</b>	<b>4,494,000</b>
	<b>Closing position at 31 March 2024</b>	<b>17,369,000</b>	<b>(12,749,000)</b>	<b>4,620,000</b>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements Year ended 31 March 2024

22.	Retirement benefit schemes (continued)	Scheme Assets £	Scheme Liabilities £	Net Pension Liability £
	<i>Shown in the Statement of Financial Activities</i>			
	<i>Prior year</i>			
	<i>Service cost</i>			
	Current service cost	-	(229,000)	(229,000)
	<b>Total service costs</b>	-	(229,000)	(229,000)
	<i>Net Interest</i>			
	Interest income on plan assets	440,000	-	440,000
	Interest cost on defined benefit obligation	-	(512,000)	(512,000)
	<b>Total net interest</b>	440,000	(512,000)	(72,000)
	<i>Cashflows</i>			
	Employer's contributions	32,000	(32,000)	-
	Members' contributions	98,000	-	98,000
	Benefits paid	(190,000)	190,000	-
	<b>Total cashflows</b>	(60,000)	158,000	98,000
	<b>Total costs in Statement of Financial Activities</b>	380,000	(583,000)	(203,000)
	Opening position at 1 April 2022	16,030,000	(18,589,000)	(2,559,000)
	Changes in financial assumptions	-	7,256,000	7,256,000
	Changes in demographic assumptions	-	(219,000)	(219,000)
	Other experience	139,000	(661,000)	(522,000)
	Return on assets excluding net interest	(88,000)	-	(88,000)
	<b>Total remeasurements recognised in OCI</b>	16,081,000	(12,213,000)	3,868,000
	<b>Closing position at 31 March 2023</b>	16,461,000	(12,796,000)	3,665,000

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

22. Retirement benefit schemes (continued)	2024 £	2023 £
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	11,810,920	11,524,000
Debt instruments	2,605,350	2,305,000
Property	1,389,520	1,316,000
Cash	1,563,210	1,316,000
	<u>17,369,000</u>	<u>16,461,000</u>
	2024 £	2023 £
<i>The defined benefit obligations arise from plans funded as follows:</i>		
Wholly unfunded obligations	-	-
Wholly or partly funded obligations	12,749,000	12,796,000
	<u>12,749,000</u>	<u>12,796,000</u>

## 23. Unrestricted Funds - current year

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Exceptional item £	Actuarial Gains £	Balance at 31 March 2024 £
General fund	3,134,494	8,494,037	(8,289,586)	(286,426)	-	3,052,519
Pension fund reserve	3,665,000	173,000	(47,000)	-	829,000	4,620,000
<b>Total general funds</b>	<u>6,799,494</u>	<u>8,667,037</u>	<u>(8,336,586)</u>	<u>(286,426)</u>	<u>829,000</u>	<u>7,672,519</u>

## Unrestricted Funds - prior year

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Exceptional item £	Actuarial Gains/ (losses) £	Balance at 31 March 2023 £
General fund	2,992,883	7,454,795	(7,313,184)	-	-	3,134,494
Pension fund reserve	(2,559,000)	-	(203,000)	-	6,427,000	3,665,000
<b>Total general funds</b>	<u>433,883</u>	<u>7,454,795</u>	<u>(7,516,184)</u>	<u>-</u>	<u>6,427,000</u>	<u>6,799,494</u>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

### 24. Restricted funds - current year

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Other gains/(losses) £	Balance at 31 March 2024 £
Christmas Activities	6,924	-	-	(6,924)	-
St James Place	9,167	-	-	(9,167)	-
Salford MBC	53,325	-	-	(53,325)	-
The Henry Smith Charity	25,000	-	-	(25,000)	-
Stockport Local Fund	181	-	-	(181)	-
National Lottery	54,809	-	-	(54,809)	-
Stockport MBC	8,789	-	-	(8,789)	-
Warrington	1,990	-	-	(1,990)	-
Cheshire Community Foundation Warrington	27,945	-	-	(27,945)	-
The Rayne Foundation	8,333	-	-	(8,333)	-
Paul Hamlyn Foundation	3,000	-	-	(3,000)	-
The Welland Trust	35,416	-	-	(35,416)	-
Cheshire East	33,306	-	-	(33,306)	-
Co-op Community Funding	3,503	-	-	(3,503)	-
Edward Gosling	4,166	-	-	(4,166)	-
<b>Total unrestricted funds</b>	<b>275,854</b>	<b>-</b>	<b>-</b>	<b>(275,854)</b>	<b>-</b>

#### Other gains/(losses)

The above losses relate to the transfer of the opening restricted fund balances as at 1 April 2023 to the former charity within a charity Pure Insight 1628. Pure Insight 1628 now operates as a separate charity.

Name of restricted fund	Description, nature, and purposes of the fund
<b>Christmas Activities</b>	This is money raised to deliver activities over the Christmas period for care leavers who would otherwise be alone. Any funds remaining can be used for other activities throughout the year as per our Just Giving statement.
<b>Steve Morgan Foundation</b>	Supporting our delivery of services to care leavers in Crewe.
<b>St James Place</b>	This funding is to support our counselling provision.
<b>Williams Foundation</b>	This enables us to help fund a small package of household goods for clients moving into a property for the first time.
<b>The Henry Smith Charity</b>	This fund is being used to fund a Psychological Wellbeing Worker to provide counselling, emotional support and life skills training to young people aged between 16-28, who are leaving care in Stockport.
<b>National Lottery</b>	To scale our successful mentoring programme into two new local authority areas and secure funding for the service in the longer term.

#### 24. Restricted funds - current year (continued)

Name of restricted fund	Description, nature, and purposes of the fund
Spark Foundation	This enables us to help cover some expenses for clients when they are moving home.
Warrington	To support the range of services we are delivering in that borough, in addition to the local council contribution.
Cheshire Community Foundation	This has helped us to provide additional activities within our Cheshire East and Warrington areas, such as the operation of a café, and psychological wellbeing service and counselling.
The Rayne Foundation	This has provided match funding for our psychological wellbeing service in Cheshire East
Awards for All	This fund has been used to support the organisation achieve its objectives by providing funding to purchase a van.
Paul Hamlyn Foundation	This fund has helped us to support young people across a wide geographical area, by providing core funding which has been used in a variety of ways
The Welland Trust	This specifically has allowed us to recruit an additional post, being an employment officer who works across two areas.
Schroder	This will be used to provide top up funding enabling some of our activities to take place.
Co-op Community Funding	Funding to support the training of new volunteer mentors.
Edward Gosling Foundation	Supporting our provision in Trafford and counselling services

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

24. Restricted funds - prior year	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Christmas Activities	12,850	14,160	(20,086)	-	6,924
Steve Morgan Foundation	-	16,500	(16,500)	-	-
St James Place	-	10,000	(833)	-	9,167
Williams Foundation	336	-	(336)	-	-
Salford MBC	-	53,325	-	-	53,325
The Henry Smith Charity	14,387	60,000	(49,387)	-	25,000
Stockport Local Fund	-	24,060	(23,879)	-	181
National Lottery	103,314	36,000	(84,505)	-	54,809
Spark Foundation	68	-	(68)	-	-
Stockport MBC	-	95,895	(87,106)	-	8,789
Warrington	5,210	30,000	(33,220)	-	1,990
Cheshire Community Foundation Warrington	-	27,945	-	-	27,945
Cheshire Community Foundation Cheshire East	15,166	2,500	(17,666)	-	-
The Rayne Foundation	8,333	25,000	(25,000)	-	8,333
Awards for All	5,833	-	(5,833)	-	-
Paul Hamlyn Foundation	17,500	10,500	(25,000)	-	3,000
The Welland Trust	38,919	34,001	(37,504)	-	35,416
Schroder	5,000	-	(5,000)	-	-
Cheshire East	-	104,623	(71,317)	-	33,306
Co-op Community Funding	-	3,821	(318)	-	3,503
Edward Gosling	-	25,000	(20,834)	-	4,166
<b>Total unrestricted funds</b>	<b>226,916</b>	<b>573,330</b>	<b>(524,392)</b>	<b>-</b>	<b>275,854</b>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

25. Analysis of assets between funds - current year	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	439,185	-	-	439,185
Cash at bank and in hand	825,686	-	-	825,686
Other net current assets	1,787,648	-	-	1,787,648
Defined benefit pension asset	-	4,620,000	-	4,620,000
	<u>3,052,519</u>	<u>4,620,000</u>	<u>-</u>	<u>7,672,519</u>
Analysis of assets between funds - prior year	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	503,401	-	-	503,401
Cash at bank and in hand	1,794,428	-	-	1,794,428
Other net current assets	836,665	-	275,854	1,112,519
Defined benefit pension asset	-	3,665,000	-	3,665,000
	<u>3,134,494</u>	<u>3,665,000</u>	<u>275,854</u>	<u>7,075,348</u>
26. Cash used in operations			2024 £	2023 £
Net movement in funds			330,451	(12,451)
Adjustments for:				
Depreciation			240,734	242,018
Interest income			(49,580)	(11,619)
Transfer of Pure Insight 1628 funds			(562,280)	-
Net pension costs in SOFA			(126,000)	203,000
(Profit)/Loss on fixed asset investments			(9,049)	11,864
(Profit)/Loss on disposal of assets			19,280	(23,497)
Movements in working capital:				
(Increase)/decrease in stock			(4,238)	(14,333)
(Increase) in debtors			(793,265)	(64,298)
Increase in creditors			(52,760)	(68,992)
Net cash generated in operations			<u>(1,006,707)</u>	<u>261,692</u>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2024

27. Net debt reconciliation - current year	1 April 2023	Cash flows	31 March 2024
The Group	£	£	£
Cash	1,794,428	(968,742)	825,686
	1,794,428	(968,742)	825,686
Net debt reconciliation - prior year	1 April 2022	Cash flows	31 March 2023
The Group	£	£	£
Cash	2,156,225	(361,797)	1,794,428
	2,156,225	(361,797)	1,794,428