

**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 2025**

# PURE INNOVATIONS LIMITED

## Financial Statements

Year ended 31 March 2025

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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 Mrs D Laming (appointed 18 <sup>th</sup> June 2025)
<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 Wiczorek-Alhamoud - HR Director Mrs A Noon - Director of Learning and Development Mrs D Sidderley – Director of Employment
<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 2025

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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 2025 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

We provide support for clients that are neurodivergent, people with learning disability, and or mental or physical and 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' Employment Services** are dedicated to helping individuals who are long-term unemployed or socially disadvantaged—especially those overlooked or excluded by mainstream service providers—find meaningful and lasting employment. We collaborate with major public and private sector employers to promote inclusive hiring practices. Through education, encouragement, and ongoing support, we help these employers build diverse teams that include people with disabilities. A key focus of our service is supporting individuals at risk of losing their jobs, working to identify and implement strategies that help them remain employed. To further assist employers, we offer free disability awareness training to their workforce. This not only helps diversify their teams but also enhances the skills and understanding of their existing employees.

We offer a wide range of **Education and Training courses**, including both accredited and non-accredited programmes. One of our key initiatives is our travel training programme, which operates across several boroughs in Greater Manchester. Our approach focuses on building independence and practical skills, helping to improve life opportunities—particularly for young people with special educational needs. We work closely with education providers to ensure that employment is a realistic and aspirational outcome for these individuals.

In addition, we operate 13 Supported Internship sites across Greater Manchester in partnership with major corporate and public sector organisations. These internships are designed to increase the number of people with additional needs moving into sustainable 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, associated skills. Each student works towards achieving either a regulated qualification or bespoke outcomes through a RARPA-based curriculum (Recognising and Recording Progress and Achievement). Learners are also supported to improve their maths and English skills as well as work towards the outcomes identified on their Education, Health and Care Plan. 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** – Through a direct contract with Stockport MBC, we operate as a central point of contact for anyone in the Borough with a social need. By working with a network of subcontractors and delivering services directly where needed, we aim to address as many of these identified needs as possible. This proactive, preventative approach is designed to delay or reduce the need for more intensive health and social care interventions. A key focus is tackling loneliness and social isolation—growing concerns in many communities. The Community Hub seeks to improve wellbeing by helping individuals reconnect with their local communities and rediscover a sense of purpose and belonging. We provide a safe, welcoming space where people can build meaningful connections, strengthen their support networks, and develop greater resilience and independence.

**The Mental Health Network**, commissioned by Stockport MBC, supports individuals with enduring mental health challenges by promoting community integration and helping them connect with activities and areas of personal interest. Taking a holistic approach to health and wellbeing, the Network offers access to complex caseworkers and delivers a specialist counselling service. The team also facilitates a range of support and peer groups, alongside more intensive therapy-based counselling sessions. These services are designed to equip individuals with the tools, insight, and supportive networks they need to sustain their mental wellbeing. As a result, people are less reliant on clinical interventions, helping to prevent escalation into more intensive, costly, and restrictive services. This proactive approach has led to opportunities for direct funding and commissioning from the NHS.

Additionally, we are contracted by Pennine NHS to deliver Individual Placement Support (IPS) for people with severe mental illness across all ten Greater Manchester local authority areas. This service focuses on helping individuals with a mental health or learning disability diagnosis secure meaningful employment.

We support over 1200 clients with a learning disability, social, emotional and mental health difficulties or with neurodiversity across Greater Manchester to have fulfilled days with meaning and purpose. Our support leads to many people becoming better 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

#### 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 200 people and 55 young people have been travel trained to use public transport independently; 32 young people are on track to achieve accreditation for learning. We have supported 300 people in Pure Support and care to engage in meaningful activities and 150 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	91% responded yes
You are learning at College	86% responded yes
You are becoming more independent at College	81% responded yes
The course is preparing you for work	81% responded yes
You have made friends at College	86% responded yes

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

Do you feel that your employment goals were achieved	92% responded yes
Do you feel that you were given the preparation for work	89% responded yes
Do you feel that we understood your aspirations and help identify your goals	87% responded yes

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2025

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

Are staff caring and kind	97% responded yes
Do you enjoy the project you attend	100% responded yes
Do you feel you're listened to and heard	96% responded yes

Our **staff survey** resulted in 60% of staff completing and telling us the following:

I feel valued and recognised for the work I do	73% responded yes
We all take Health and Safety seriously	96% responded yes
Senior leaders make the effort to listen to the team	83% responded yes
I think I have a good balance between my work and personal life	89% 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	89% responded yes

### 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 £309k .

The accounting treatment of the GMPF pension fund has changed and we have not recorded the surplus on our portion of the fund as at the end of the financial year, and the defined benefit pension scheme asset has been derecognised.

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 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.

## **Reserves policy**

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

The Board of Trustees has set a minimum reserves target based on potential closure costs and the financial risks associated with ending contracts. The current level of reserves exceeds this minimum threshold. In the coming months, the Board will consider how best to use the surplus funds to benefit the organisation's beneficiaries.

At the same time, the Trustees are also reviewing the need for additional reserves to support potential 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 focused on becoming a more digitally aware organisation. This includes embracing opportunities, where appropriate, to integrate Artificial Intelligence (AI) into our practices and better meet the expectations of younger people engaging with our service. As most of our work takes place remotely within the community, we are also working towards becoming a paperless organisation, with a strong emphasis on ensuring online access to our services.

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.

## **Social, economic and environmental Impact**

As a charity, we measure the impact of our work through a combination of data collection, feedback, and evaluation methods. We monitor individual progress using outcomes such as improved wellbeing, skills development, and increased independence, which in turn enhance access to opportunities. From an economic perspective, we assess how our support helps people gain employment and achieve financial stability and independence. At the community level, we tackle issues such as isolation and loneliness by fostering social engagement, building connections, and encouraging local collaboration. Environmentally, we evaluate our initiatives by measuring resource usage, promoting sustainable practices, and tracking the positive ecological changes driven by our projects.



# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2025

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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 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 Mrs D Laming (appointed 18 <sup>th</sup> June 2025)

#### 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
Director of Employment	Mrs D Sidderley

# PURE INNOVATIONS LIMITED

## Trustees' Report (Continued)

Year ended 31 March 2025

The Board of Pure Innovations which comprises the trustees of the charity meet bi-monthly. Members of the Executive Management Team are in attendance for those meetings. The trustees 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.  |

#### **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 2025

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### Auditor

Mitchell Charlesworth was appointed as auditor at the last AGM in April 2024 and, in accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Mitchell Charlesworth was passed by the Board of Trustees at Pure Innovations Annual General Meeting in April 2025.

### 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 15<sup>th</sup> October 2025

# PURE INNOVATIONS LIMITED

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

Year ended 31 March 2025

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### Opinion

We have audited the financial statements of Pure Innovations Limited for the year ended 31 March 2025 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 2025, 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.

#### 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### 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 Companies Act 2006 requires 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

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

#### **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 laws and regulations, we considered the following:

- the nature of the sector, control environment and the organisation's performance
- the organisation's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and Trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the organisation's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- 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.

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 the following areas: (i) The presentation of the charitable company's Statement of Financial Activities, (ii) the charitable company's accounting policy for revenue recognition, (iii) the classification of restricted funds in the financial statements, and (vi) the management override of controls. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the organisation 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 the UK Companies Act and local taxation legislation.

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 charitable company's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context included employment law, health and safety at work, GDPR, and the UK Companies Act and Charities SORP.

#### **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.

# PURE INNOVATIONS LIMITED

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

Year ended 31 March 2025

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.

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.

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.

### Use of our report

This report is made solely to the charity's trustees, 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 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.



**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 2025

	Notes	Unrestricted Funds	Restricted Funds	Pension	Total Funds 2025
		£	£	£	£
<b>Income</b>					
Donations and legacies		-	-	-	-
Other trading income		-	-	-	-
Income from charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	5	10,865,065	11,276	-	10,876,341
Investment Income	6	38,136	-	223,000	261,136
<b>Total income</b>		<b>10,903,201</b>	<b>11,276</b>	<b>223,000</b>	<b>11,137,477</b>
<b>Expenditure</b>					
Expenditure on charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	7	(10,599,620)	(5,800)	(16,000)	(10,621,420)
<b>Total expenditure</b>		<b>(10,599,620)</b>	<b>(5,800)</b>	<b>(16,000)</b>	<b>(10,621,420)</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>303,581</b>	<b>5,476</b>	<b>207,000</b>	<b>516,057</b>
Other recognised losses	9	-	-	-	-
<b>Net incoming resources before other recognised gains and losses</b>		<b>303,581</b>	<b>5,476</b>	<b>207,000</b>	<b>516,057</b>
Derecognition of the defined benefit pension scheme asset	20	-	-	(4,827,000)	(4,827,000)
<b>Net movement in funds</b>		<b>303,581</b>	<b>5,476</b>	<b>(4,620,000)</b>	<b>(4,310,943)</b>
Total funds brought forward		3,047,719	4,800	4,620,000	7,672,519
<b>Total funds carried forward</b>		<b>3,351,300</b>	<b>10,276</b>	<b>-</b>	<b>3,361,576</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 2024

	Notes	Unrestricted Funds (as restated) £	Restricted Funds (as restated) £	Pension £	Total Funds 2024 £
<b>Income</b>					
Donations and legacies		-	-	-	-
Other trading income		-	-	-	-
Income from charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	5	8,444,457	-	-	8,444,457
Investment Income	6	49,580	-	173,000	222,580
<b>Total income</b>		<u>8,494,037</u>	<u>-</u>	<u>173,000</u>	<u>8,667,037</u>
<b>Expenditure</b>					
Expenditure on charitable activities:					
<i>Provision of care, employment, catering &amp; other services</i>	8	<u>8,289,586</u>	<u>-</u>	<u>47,000</u>	<u>8,336,586</u>
<b>Total expenditure</b>		<u>8,289,586</u>	<u>-</u>	<u>47,000</u>	<u>8,336,586</u>
<b>Net incoming resources before other recognised gains and losses</b>		204,451	-	126,000	330,451
Other recognised losses	9	<u>(286,426)</u>	<u>(275,854)</u>	<u>-</u>	<u>(562,280)</u>
<b>Net incoming resources before other recognised gains and losses</b>		(81,975)	(275,854)	126,000	(231,829)
Actuarial surplus on defined benefit pension scheme		<u>-</u>	<u>-</u>	<u>829,000</u>	<u>829,000</u>
<b>Net movement in funds</b>		(81,975)	(275,854)	955,000	597,171
<b>Transfers</b>		(4,800)	4,800	-	-
Total funds brought forward		<u>3,134,494</u>	<u>275,854</u>	<u>3,665,000</u>	<u>7,075,348</u>
<b>Total funds carried forward</b>		<u>3,047,719</u>	<u>4,800</u>	<u>4,620,000</u>	<u>7,672,519</u>

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

# PURE INNOVATIONS LIMITED

## Balance Sheet

Year ended 31 March 2025

	Notes	£	2025 £	£ (as restated)	2024 £ (as restated)
<b>Fixed assets</b>					
Tangible assets	13		417,437		439,185
Investments	14		407,278		213,002
			824,715		652,187
<b>Current assets</b>					
Stocks	15	45,940		57,871	
Debtors	16	1,334,730		2,018,286	
Investments	17	11,235		19,435	
Cash at bank and in hand		1,914,733		825,686	
		3,306,638		2,921,278	
Creditors: amounts falling due within one year	18	(769,777)		(520,946)	
<b>Net current assets</b>			2,536,861		2,400,332
<b>Total assets less current liabilities</b>			3,361,576		3,052,519
Defined benefit pension scheme asset	21		-		4,620,000
<b>Total net assets</b>			3,361,576		7,672,519
<b>Funds</b>					
Unrestricted funds:					
General	22		3,351,300		3,047,719
Pension fund reserve	19		-		4,620,000
<b>Total funds</b>			3,351,300		7,667,719
Restricted funds	23		10,276		4,800
			3,361,576		7,672,519

These financial statements were approved by the members of the committee on 15/12/25 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 2025

		2025	2024
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated in operating activities	24	1,475,707	(1,006,707)
<b>Cash used in investing activities</b>			
Purchase of tangible fixed assets		(230,448)	(195,798)
Disposal proceeds of tangible fixed assets		-	-
Disposal of Investments		39,683	267,496
Purchase of Investments		(234,031)	(83,313)
Interest income		38,136	49,580
<b>Net cash used in investing activities</b>		<b>(386,660)</b>	<b>37,965</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,089,047</b>	<b>(968,742)</b>
Cash and cash equivalents at beginning of year		825,686	1,794,428
<b>Cash and cash equivalents at end of year</b>		<b>1,914,733</b>	<b>825,686</b>

#### 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 2025

### 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 7 (2024: 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.	Income from charitable activities	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
	Care services	3,473,629	-	3,473,629	3,254,598	3,254,598
	Supported employment	5,678,470	-	5,678,470	3,632,378	3,632,378
	Catering	1,294,713	7,037	1,301,750	1,115,259	1,115,259
	Other activities	418,252	4,239	422,491	442,222	442,222
		10,865,065	11,276	10,876,341	8,444,457	8,444,457
6.	Investment income		Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
	Investment income		38,136	38,136	49,580	49,580
	Pension finance income		223,000	223,000	173,000	173,000
			261,136	261,136	222,580	222,580

The investment income arises from interest bearing deposit accounts.



# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

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

	Care Services £	Employment Support £	Catering £	Other Activities £	Total 2025 £
Payroll, and wage costs	2,089,801	4,594,079	778,739	317,691	7,780,310
Pension service cost	5,097	8,333	1,910	660	16,000
Cost of sales and kitchen equipment	17,588	42	578,780	158	596,568
Premises costs	185,870	68,975	178,559	5,481	438,885
General administration	56,156	11,492	2,533	456	70,637
Travel and subsistence	59,436	72,399	4,204	4,418	140,457
Equipment	13,045	5,852	23,792	806	43,495
Depreciation	-	12,127	-	-	12,127
Professional including IT	317	38,250	27,711	3,560	69,838
Irrecoverable VAT	-	4,040	-	-	4,040
Support costs (note 10)	456,471	746,209	171,063	59,119	1,432,862
Governance	5,161	8,437	1,934	669	16,201
	<b>2,888,942</b>	<b>5,570,235</b>	<b>1,769,225</b>	<b>393,018</b>	<b>10,621,420</b>

Expenditure on charitable activities was £10,621,420 (2024: £8,336,586) of which £10,615,620 (2024: £8,336,586) was unrestricted and £5,800 (2024: £Nil) was restricted.

### 7. Analysis of expenditure on charitable activities - prior 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
Professional including IT	443	29,741	19,345	2,061	51,590
Support costs (note 10)	508,229	567,220	174,156	67,549	1,317,154
Governance	5,994	6,690	2,054	797	15,535
	<b>2,715,641</b>	<b>3,663,325</b>	<b>1,585,426</b>	<b>372,194</b>	<b>8,336,586</b>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

### 8. 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 2025
	£	£	£	£	£
<i>Central support costs:</i>					
Payroll, and wages costs	246,941	403,684	92,542	31,983	775,150
Cost of sales and kitchen equipment	13	21	5	1	40
Premises costs	46,182	75,494	17,306	5,981	144,963
General administration	15,236	24,906	5,709	1,973	47,824
Travel and subsistence	7,838	12,813	2,937	1,015	24,603
Equipment	3,841	6,280	1,440	497	12,058
Depreciation	65,811	107,583	24,663	8,524	206,581
Professional including IT	50,293	82,216	18,847	6,514	157,870
Marketing	9,747	15,934	3,653	1,262	30,596
Irrecoverable VAT	10,569	17,278	3,961	1,369	33,177
	<u>456,471</u>	<u>746,209</u>	<u>171,063</u>	<u>59,119</u>	<u>1,432,862</u>
Governance costs:					
Audit and archiving costs	<u>5,161</u>	<u>8,437</u>	<u>1,934</u>	<u>669</u>	<u>16,201</u>
	<u>461,632</u>	<u>754,646</u>	<u>172,997</u>	<u>59,788</u>	<u>1,449,063</u>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

### 8. Analysis of support costs - Prior year

	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
Irrecoverable VAT	21,086	23,533	7,225	2,803	54,647
Re-organisation costs	5,685	6,345	1,948	755	14,733
	508,229	567,220	174,156	67,549	1,317,154
<i>Governance costs:</i>					
Audit	5,994	6,690	2,054	797	15,535
	514,223	573,910	176,210	68,346	1,332,689

### 9. Net income/(expenditure) for the year

	2025 £	2024 £
This is stated after charging:		
Depreciation	218,708	240,734
Auditor's fees - for audit services	13,650	13,000
- for financial statements	1,600	1,500
Other recognised losses	-	562,280

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

### 10. Analysis of staff costs, trustees' remuneration and the cost of key management personnel

	2025 £	2024 £
Wages, salaries, and other staffing costs	7,833,101	5,685,623
Social security costs	511,820	429,067
Pension costs (including service cost)	226,539	239,541
	8,571,460	6,354,231

Pension funding within the Statement of Financial Activities includes £16,000 (2024: £47,000) in relation to the current service cost as included in the pension scheme note.

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

### 10. Analysis of staff costs, trustees' remuneration and the cost of key management personnel (continued)

Two employee's (2024: two) had emoluments in excess of £60,000 (2024: £60,000). These employees fell into the following pay bands:

	2025 No	2024 No
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1
	<u>2</u>	<u>2</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 £361,797 (2024: £353,440) of which the trustees received £nil (2024: £nil).

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

### 11. Staff numbers

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

	2025 No	2024 No
Full time employees	<u>274</u>	<u>257</u>

### 12. 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.

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

13. Tangible fixed assets	IT Systems £	Catering Equipment £	Fixtures and Fittings £	Leasehold Improvements £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1st April 2024	339,774	262,841	46,361	253,408	273,446	1,175,830
Additions	34,507	29,742	17,000	57,706	91,493	230,448
Disposals	(69,603)	(38,496)	(1,108)	-	(85,196)	(194,403)
<b>At 31 March 2025</b>	<b>304,678</b>	<b>254,087</b>	<b>62,253</b>	<b>311,114</b>	<b>279,743</b>	<b>1,211,875</b>
<b>Depreciation</b>						
At 1st April 2024	212,834	204,044	35,097	94,646	190,024	736,645
Charge for the year	79,688	25,654	6,308	51,933	55,125	218,708
Eliminated on disposal	(69,603)	(38,496)	(1,108)	-	(51,708)	(160,915)
<b>At 31st March 2025</b>	<b>222,919</b>	<b>191,202</b>	<b>40,297</b>	<b>146,579</b>	<b>193,441</b>	<b>794,438</b>
<b>Net book value</b>						
<b>At 31st March 2025</b>	<b>81,759</b>	<b>62,885</b>	<b>21,956</b>	<b>164,535</b>	<b>86,302</b>	<b>417,437</b>
At 31st March 2024	126,940	58,797	11,264	158,762	83,422	439,185

14. Investments	2025 £	2024 £
Market value at 1 April 2024	213,002	388,136
Additions at cost	234,031	83,313
Disposals at market value	(39,683)	(267,496)
Net profit/(loss)	(72)	9,049
Market value at 31 March 2025	407,278	213,002

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.

15. Stock	2025 £	2024 £
Goods for resale	45,940	57,871

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements Year ended 31 March 2025

16.	Debtors	2025 £	2024 £
	Trade debtors	623,399	1,124,350
	Other debtors and prepayments	711,331	893,936
		<u>1,334,730</u>	<u>2,018,286</u>

17.	Current asset investments	2025 £	2024 £
	Cash on short-term deposits	11,235	19,435
		<u>11,235</u>	<u>19,435</u>

18.	Creditors: amounts falling due within one year	2025 £	2024 £
	Trade creditors	150,239	139,645
	Other taxes and social security	117,975	130,837
	Other creditors and accruals	501,563	250,464
		<u>769,777</u>	<u>520,946</u>

### 19. Commitments under operating leases

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 2025 the company had annual commitments under non-cancellable operating leases as set out below.

	2025 £	2024 £
<b>Land &amp; buildings</b>		
Operating leases which expire:		
Within 1 year	176,256	234,173
Within 2 to 5 years	164,583	277,833
	<u>340,839</u>	<u>512,006</u>

### 20. Derecognition of defined benefit pension asset

Although the most recent actuarial valuation of the defined benefit pension scheme indicates that the scheme is in a net asset position, no asset has been recognised in the financial statements. This is because, in accordance with FRS 102 Section 28.22, the surplus is not considered recoverable by the employer. The terms of the scheme do not allow the employer to obtain a refund of the surplus, nor do they permit a reduction in future contributions. As a result, the surplus does not provide an economic benefit to the employer and is therefore not recognised as an asset.

#### 21. 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 5% for employees and 3% for employers in 2024. Employer's contributions of £113,750 (2024 - £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<sup>th</sup> 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

	2025	2024
The key financial assumptions used are:	% pa	% pa
Inflation/pension increases	2.75%	2.75%
Salary Increases	3.55%	3.55%
Discount rate	5.80%	4.85%

21. Retirement benefit schemes (continued)

Mortality Assumptions	2025 Years		2024 Years	
	Current	Future	Current	Future
The period of pension drawdown:				
Male	20.2	21.0	20.2	21.1
Female	24.3	25.3	24.4	25.3

**Key assumptions**

*Life expectancy*

Life expectancy is based on the CMI 2022 model with a 25% weighting of 2022 data, 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 2025

21.	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	-	(94,000)	(94,000)
	<b>Total service costs</b>	-	(94,000)	(94,000)
	<i>Net Interest</i>			
	Interest income on plan assets	835,000	-	835,000
	Interest cost on defined benefit obligation	-	(612,000)	(612,000)
	<b>Total net interest</b>	835,000	(612,000)	223,000
	<i>Cashflows</i>			
	Employer's contributions	78,000	-	78,000
	Members' contributions	25,000	(25,000)	-
	Benefits paid	(378,000)	378,000	-
	<b>Total cashflows</b>	(275,000)	353,000	78,000
	<b>Total costs in Statement of Financial Activities</b>	560,000	(353,000)	207,000
	Opening position at 1 April 2024	17,369,000	(12,749,000)	4,620,000
	Derecognition of the defined benefit pension scheme asset	(17,369,000)	12,749,000	(4,620,000)
	<b>Total remeasurements recognised in OCI</b>	-	-	-
	<b>Closing position at 31 March 2025</b>	-	-	-

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements Year ended 31 March 2025

21.	Retirement benefit schemes (continued)	Scheme Assets £	Scheme Liabilities £	Net Pension Liability £
	<i>Shown in the Statement of Financial Activities Prior 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>	-	(130,000)	(130,000)
	<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>	776,000	(603,000)	173,000
	<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>	(264,000)	347,000	83,000
	<b>Total costs in Statement of Financial Activities</b>	512,000	(386,000)	126,000
	Opening position at 1 April 2024	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>	16,857,000	(12,363,000)	4,494,000
	<b>Closing position at 31 March 2024</b>	17,369,000	(12,749,000)	4,620,000

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

21. Retirement benefit schemes (continued)	2025 £	2024 £
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	-	11,810,920
Debt instruments	-	2,605,350
Property	-	1,389,520
Cash	-	1,563,210
	-	17,369,000
	2025 £	2024 £
<i>The defined benefit obligations arise from plans funded as follows:</i>		
Wholly unfunded obligations	-	-
Wholly or partly funded obligations	-	12,749,000
	-	12,749,000

## 22. Unrestricted Funds - current year

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Exceptional item £	Derecognition of defined benefit pension scheme asset £	Balance at 31 March 2025 £
<b>General fund</b>	3,047,719	10,903,201	(10,599,620)	-	-	3,351,300
Pension fund reserve	4,620,000	223,000	(16,000)	-	(4,827,000)	-
<b>Total general funds</b>	7,667,719	11,126,201	(10,615,620)	-	(4,827,000)	3,351,300

## Unrestricted Funds - prior year

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Exceptional items and transfers (as restated) £	Actuarial Gains/ (losses) £	Balance at 31 March 2024 (as restated) £
<b>General fund</b>	3,134,494	8,494,037	(8,289,586)	(291,226)	-	3,047,719
Pension fund reserve	3,665,000	173,000	(47,000)	-	829,000	4,620,000
<b>Total general funds</b>	6,799,494	8,667,037	(8,336,586)	(291,226)	829,000	7,667,719

Notes to the Financial Statements  
Year ended 31 March 2025

23. Restricted funds - current year	Balance at 1 April 2024 (as restated) £	Incoming Resources £	Resources expended £	Balance at 31 March 2025 £
Free School Meals	2,603	7,037	(3,072)	6,568
Bursary Funds	2,197	4,239	(2,728)	3,708
<b>Total unrestricted funds</b>	<b>4,800</b>	<b>11,276</b>	<b>(5,800)</b>	<b>10,276</b>

23. Restricted funds - prior year	Balance at 1 April 2023 £	Transfers (as restated) £	Balance at 31 March 2024 (as restated) £
Free School Meals	-	2,603	2,603
Bursary Funds	-	2,197	2,197
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>(271,054)</b>	<b>4,800</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.

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

### 24. Analysis of assets between funds - current year

	General Fund £	Designated Funds £	Total £
Tangible fixed assets	417,437	-	417,437
Cash at bank and in hand	1,914,733	-	1,914,733
Other net current assets	1,029,405	-	1,029,405
	<u>3,361,575</u>	<u>-</u>	<u>3,361,575</u>

### Analysis of assets between funds - prior year

	General Fund £	Designated 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>7,672,519</u>

# PURE INNOVATIONS LIMITED

## Notes to the Financial Statements

Year ended 31 March 2025

25. Cash used in operations		2025 £	2024 £
Net movement in funds		516,057	330,451
<i>Adjustments for:</i>			
Depreciation		218,708	240,734
Interest income		(38,136)	(49,580)
Transfer of Pure Insight 1628 funds		-	(562,280)
Net pension costs in SOFA		(207,000)	(126,000)
(Profit)/Loss on fixed asset investments		72	(9,049)
(Profit)/Loss on disposal of assets		33,488	19,280
<i>Movements in working capital:</i>			
(Increase)/decrease in stock		11,931	(4,238)
(Increase)/decrease in debtors		691,756	(793,265)
Increase/(decrease) in creditors		248,831	(52,760)
<b>Net cash generated in operations</b>		<b>1,475,707</b>	<b>(1,006,707)</b>
26. Net debt reconciliation - current year	1 April 2024	Cash flows	31 March 2025
<b>The Group</b>	£	£	£
Cash	825,686	<b>1,089,047</b>	<b>1,914,733</b>
	825,686	<b>1,089,047</b>	<b>1,914,733</b>
Net debt reconciliation - prior year	1 April 2023	Cash flows	31 March 2024
<b>The Group</b>	£	£	£
Cash	1,794,428	(968,742)	825,686
	1,794,428	(968,742)	825,686