

PROJECT FOR ADVOCACY, COUNSELLING & EDUCATION

(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

FRIDAY



A09 *A3GQX5WZ* 19/09/2014 #87
COMPANIES HOUSE

PROJECT FOR ADVOCACY, COUNSELLING & EDUCATION

CONTENTS

	Page
Report of the Trustees	1 - 8
Independent Auditors' Report	9 - 10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 - 26

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Introduction

The Trustees of PACE are pleased to present their annual report and accounts for the year ended 31 March 2014.

PACE's Vision, Mission & Values

Trustees agreed new Vision, Mission and Values, as part of their strategic planning process during the year.

Our Vision is the best possible world for LGBT people.

Our Mission is better LGBT mental health.

Our Values guide us in our work with LGBT people. At PACE we:

- work in an Inclusive way
- that is responsive and Dynamic
- we are Collaborative with clients, partners and colleagues
- and we work with Integrity always

Reference and administrative details

Project for Advocacy, Counselling & Education (PACE)

Registered charity number: 801271

Limited company number: 02217278

Address: 34 Hartham Road, London N7 9JL

Trustees

James Asser (from February 2014)

Ian Brownhill (from January 2014)

Jane Czyzelska

Henry Davis

Emma Flowers (from March 2014)

Steve Heywood (resigned November 2013)

Martin Humes

Rachel Jones (from January 2014)

Anne Kane (resigned March 2014)

Richard Macmillan (from January 2014)

Andrew Moffat (resigned October 2013)

Craig Muir

Ryan Murray (from March 2014)

Kate Rutherford (from January 2014)

Alice Wallace

Terence Webb (resigned October 2013)

Chief Executive Officer

Margaret Unwin BSc MSc

Advisors

Bankers: HSBC Bank Plc
312 Seven Sisters Road
Finsbury Park
London N4 2AW

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London EC4V 4ET

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Advisors contd

Auditors: MHA MacIntyre Hudson (Kent) LLP
31 St George's Place
Canterbury
Kent CT1 1XD

Solicitors: Russell Cooke
2 Putney Hill
London SW15 6AB

Structure, governance and management

PACE is a registered charity and a company limited by guarantee. PACE's governing document is its Articles of Association.

The trustee board meets monthly or bi-monthly in accordance with an agreed annual timetable of meetings. All trustees currently identify as LGBT and there are ex-service users on the board.

During 2013/14 the board met eight times, in: April, June, August, October, November, December, January and March. In addition there was a board strategy session held in July 2013.

The board reviews itself regularly, to ensure it is fit for purpose. Recruitment of new trustees is via open advertisement to ensure a broad range of applicants from which to choose the best skill mix for PACE's current and future needs.

New trustees receive a full induction at PACE's office, including sessions with senior management and the chief executive; presentations from operational staff; guidance on the responsibilities of trustees; and ongoing training and updates to ensure they are cognizant of any new policies or good practice needed to enhance their role.

The board sets the overall strategic objectives for the charity, approves the operational plan and agrees and monitors the overall budget.

The board delegates responsibility for the operational and day to day management of the charity to the chief executive and senior management team.

Risk assessment

During the year PACE's trustees have identified key strategic risks facing the organisation and have developed plans to mitigate these risks. This is an ongoing process.

Public benefit

PACE's objects, as set out in its articles of association, are for the public benefit:-

- To preserve and promote the physical, mental, sexual and emotional health and wellbeing primarily of lesbians, gay men, bisexuals and transgender people; and
- To advance public education in the field of HIV infection and AIDS and related issues

PACE's objectives and charitable activities flow from these objects, as will be described in more detail throughout this trustees report.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Objectives and activities 2013/14

PACE reviews its objectives and activities each year. During the year the organisation's and CEO's objectives were:

- Developing effective governance and leadership of PACE
- Developing the strategic plan
- Effective risk management
- Developing PACE's profile and key messaging
- Improving service quality and excellence
- Ensuring PACE has the resources needed to be effective

Trustees agreed to deliver the Mission through provision of the following funded activities:

- 1 Advocacy
- 2 Counselling
- 3 eQuality Charter Mark & Training
- 4 Online support
- 5 Relationship workshops
- 6 Research
- 7 HIV Prevention and Sexual Health

Main activities for 2013/14Advocacy

PACE's LGBT advocacy service is unique in London, and the UK. Our model is to empower service users to take control over aspects of their lives that are detrimental to their mental health. Our experience is that supporting individuals to make changes in these areas results in an improvement in clients' overall mental health and wellbeing.

During the year the advocacy service supported 273 clients, including 39 clients under the age of 24.

Referrals came from a wide range of sources, including GPs, sexual health clinics, LGBT partner agencies, the Police, psychiatrists, community mental health teams, solicitors and drug and alcohol services, indicating that PACE's reputation for providing a quality advocacy service has gained ground in the six years since the service started

Key issues for clients were finances and benefits, housing, social networks, legal issues, accessing health and social care services and preparing for and seeking work.

40% of clients had benefits-related issues; 36% required support with health services; 15% had issues around social isolation; 12% of clients wanted support to access social care; 9% had housing issues.

In response to welfare reforms, which have had a major impact on many of our clients, the advocacy team developed factsheets on Employment Support Allowance, Personal Independence Payments, Bedroom Tax and Trans* Rights, to ensure LGBT people we work with are aware of their rights. These were well-received by service users.

PACE also provided training for clients. 92 clients accessed 11 workshops which the advocacy team ran during the year, including "simple and useful money solutions", "setting objectives for employment" and "preparing for an Employment Support Allowance medical".

95% of clients who accessed benefits-related support from PACE achieved an increase in their income as a result.

All clients have been supported to get their voices heard, in a range of settings and relationships with professionals, resulting in more positive outcomes for clients and improved wellbeing.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Main activities for 2013/14 contdAdvocacy contd

Data about clients we worked with:

- 31% of clients were from black and minority ethnic communities
- 12% of clients identified as Trans*, up 2% from the previous year

A growing area of work this year concerns asylum seekers and refugees who have fled their own countries to escape persecution and violence as a result of their sexuality. 25% of advocacy clients we worked with in 2013/14 identified as asylum seekers/refugees, including teenagers and young adults. Many of their stories were harrowing tales of survival against the odds, and they have needed longer term practical, financial and emotional support to help them come to terms with their experiences and start to rebuild their lives.

Counselling

PACE offers LGBT people access to quality counselling from LGBT counsellors. During the year we offered face to face and online counselling to 267 LGBT clients.

Of these clients, 29% identified as BAME; 62% as male, 32% as female, 4% as trans and 2% as other, queer or questioning. 60% identified as gay, 16% as lesbian, 7% as bisexual and 9% as queer, questioning, non-defining or other.

Counselling services were expanded to include online counselling, relationship counselling and counselling for people who have experienced domestic abuse. Domestic abuse counselling was provided as part of the London-wide Domestic Abuse Partnership (DAP), of which PACE is a key member.

Domestic abuse counselling performed well against a number of targets. The target for clients making positive changes in their lives was exceeded by 47%, and 84% of the target number of clients showed an increased understanding of healthy relationships. Over 90% of respondents to satisfaction surveys were either satisfied or very satisfied with the service.

Relationship Counselling, funded through the Department for Education's Relationship Support strand, was commenced during the period, provided face-to-face, online or by telephone. Measured quarterly, between 88% and 95% of respondents were satisfied or better with the service. Between 82% and 95% demonstrated that counselling had had a positive impact against one or more indicators of relationship quality.

Fee-paying counselling, established in 2011, continued at the same level as last year and provided a contribution to the sustainability of the service overall.

Low-cost counselling was provided in Hackney only, funded by the Primary Care Trust, to 58 clients during the year. Of those who responded to satisfaction surveys, over 95% agreed that the service had helped them achieve their personal goals and manage their mental health, and had been responsive to their mental health needs. This service is likely to continue in 2014/15, but as the local authority assumes responsibility for public health we expect the service to be re-commissioned, with potentially negative impacts on PACE's client group.

The main themes highlighted by clients within the Hackney and Fee-Paying Services were Anxiety, Depression, Confidence and Self-Esteem, with a significant number of people presenting with a variety of relationship issues.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Main activities for 2013/14 contdCounselling contd

PACE provided counselling to 28 young people in 2013/14, funded by Children in Need.

- 29% of young people identified as female
- 68% identified as male
- Four young people identified as trans* or were questioning their gender

Young people mainly identified as gay or lesbian (61%). Just over a fifth of them were still questioning or unsure about their sexuality and 18% identified as bisexual. Their issues were wide ranging, including issues about coming out, family conflict, body image, sex and relationships, homophobia/transphobia and self-confidence.

Many young people we worked with were very vulnerable. 50-60% of them were involved in problematic drug use. In 6% of counselling sessions young people largely or mainly talked about suicidal thoughts.

eQuality Charter Mark & Training

PACE's eQuality Charter Mark scheme, funded by the Department for Education's Improving Outcomes for Children, Young People and Families Fund, has been running for four years. During the year we worked with 25 organisations, ten of whom achieved Bronze Charter Marks.

The purpose of the work is to skill up mainstream relationship providers (counselling organisations) to enable them to provide a better service to LGBT people who approach them for counselling.

231 individuals attended PACE training during the year. Feedback from participants indicated satisfaction levels in excess of 90% throughout the year. Comments received included: "There were a lot of things I learnt, especially about the use of gender neutral language. There were lots of lively debates that stimulated thought." Also "So much training...delivered with great enthusiasm and care, it's difficult to pull the best thing out."

Online support

2013/14 was year two of the Virtual Support Project, incorporating PACE's new website and social media and is how PACE is now reaching a national (and sometimes global) audience.

Traffic to and through the site increased significantly as the year progressed. There were 1,470 downloads of PACE factsheets, the most popular being Coming Out and Trans issues. By the end of March 2014 there were 912 registered website users. There were a total of 228,561 page views of the site during the year.

In the year the team of four part-time staff and 15 volunteers offered clients a range of forms of information, guidance and support, in the virtual space. The service operated extended hours, including evenings and weekends. Service users were able to get peer support by joining chat sessions or contributing to the message boards.

PACE developed a new focus on wellbeing and during the year launched our Wellbeing Assessment Tool, which enables site users to track changes in their wellbeing. Information and support on wellbeing is provided through Blogs, News items and Factsheets.

In February PACE launched a web-based Helpfinder tool. This searchable database contains information about LGBT specific and LGBT friendly organisations across the UK.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Main activities for 2013/14 contdOnline support contd

An online component is now integrated into all of PACE's services and this will increasingly be a feature of services as PACE moves forwards. The impact of online work is more choice and flexibility for clients and building the capacity of PACE to achieve a greater reach outside of London and across the UK. Next year our top priority is attracting ongoing funding to ensure sustainability once the Big Lottery grant ends.

Relationship workshops

Funding from the Department for Education enabled us to establish new relationship workshops for LGBT people in 2013. Courses offered during the year were: "Healthy Relationships", "Getting Serious" and "Becoming a Parent".

212 participants attended PACE relationships workshops during the year. There was also increasing activity throughout the year on the online forums and message boards, with content having a specific relationship focus.

Evaluations of the workshops indicate:

- 82% of participants found the workshops "relevant and accessible"
- 64% of participants felt that communication "definitely or mostly improved" as a result of attendance
- 64% of participants said they were "more likely to seek help in the future" (for their relationships) as a result of attending PACE workshops

Research

PACE's five year research project (2010-15) funded by Reaching Communities continued during the year. The RaRE project (Risk and Resilience Explored) seeks to understand some of the reasons why LGBT people experience poor mental health and to identify protective factors that may promote positive mental health. The intention is to use the research evidence to influence providers' understanding of the issues and improve services and support for LGBT people.

During 2013/14, the project focused on the launch and development of a national survey which collected over 2,000 valid surveys from a diverse sample of participants, both LGB&T and non-LGB&. The final phase (qualitative study) was also prepared and launched, with ethics approval from Worcester University, and six interviewers were recruited and trained.

The project team expanded to also include a new Research Assistant, three volunteers and one intern and team members were trained in quantitative and qualitative data analysis tools.

The lay panel and academic panel continued to provide essential support to the project during the year.

A final report will be launched in 2014/15, during the dissemination phase of the project, and plans will be developed to promote understanding and influence service provision.

HIV prevention & sexual health

As a result of a new strategic direction and a large-scale re-commissioning process, funding for PACE's HIV prevention groupwork unfortunately ended in March 2014, bringing to an end our well-respected and influential programme that had run for over ten years, reaching thousands of men during that time.

During 2013-14, 399 hours of groupwork were achieved, attended by 252 men, approximately 30% of whom were BAME. 97% of respondents to satisfaction surveys were satisfied with the service and said that they had achieved their personal goals.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Main activities for 2013/14 contd**HIV prevention & sexual health contd**

The impact of PACE's groupwork on men who have sex with men (MSM) in London is widely acknowledged in the sector and its loss from the landscape of HIV prevention is significant.

Financial Review

PACE had incoming resources for the year of £813, 134 and resources expended of £835, 123, giving an expected net deficit of £21,989. Of this deficit, £11,393 reduces the restricted funds carried over from the last financial year.

PACE continues to hold both restricted and unrestricted reserves. The restricted reserves represent unspent balances of funds given to PACE for specific activities that will be spent in the next financial year.

The unrestricted funds of PACE are the designated and undesignated (general funds). The undesignated funds are to cover any shortfall in PACE's activities so that minimal disruption to PACE's vital services occurs.

The designated funds have three strands:

- 1 Contractual commitment that would provide unexpected staffing costs such as redundancy, maternity leave cover, long-term sickness and any other employment costs. It also covers closure costs should PACE cease to operate
- 2 Building and equipment provides for the maintenance and cyclical internal and external decoration and of the premises
- 3 The Relocation fund was set up to cover costs of moving to new premises at the end of the lease on Hartham Road. This expenditure is anticipated to occur during financial year 2014/15.

There are plans during 2014/15 to set up a finance sub-committee that will meet bi-monthly. This group will evaluate the financial performance of the organisation and ensure finances are used appropriately and in accordance with the objectives of the organisation. The sub-committee will ensure that appropriate advice and recommendations are made to the Board to safeguard the ongoing viability of PACE and will include a continual review of the reserves position.

Plans for the future

PACE recruited a number of new trustees in two rounds of recruitment during the year, resulting in a current board of 11 trustees. During the year the new board, led by a new Chair, started a comprehensive strategic planning process which continued into 2014/15.

In 2015 funding for a number of PACE's services comes to an end, and 2014/15 will be a major fundraising year for the organisation. Underpinned by a new strategic plan and with a strong board and a skilled staff team, PACE has aspirations to provide world class services to the LGBT community for many years to come.

A key plank in 2014/15 will be the implementation of a new fundraising strategy, to include a new focus on individual giving and increased levels of earned income

Future plans include:

- 1 Relocation to new premises by March 2015
- 2 Dissemination of key messages from the RaRE research, in order to influence provision of mainstream services to LGBT people
- 3 A re-launch of the counselling service with an enhanced offering for clients and increased, more flexible provision
- 4 A continued focus on raising the profile of PACE, and of the issue of LGBT mental health and wellbeing, in the LGBT press and also in the mainstream press
- 5 Further development of the advocacy service to ensure we reach those most in need of support
- 6 Continued expansion of services online, with a greater reach across the UK

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Statement of trustees' responsibilities

The trustees (who are also directors of Project for Advocacy, Counselling and Education for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

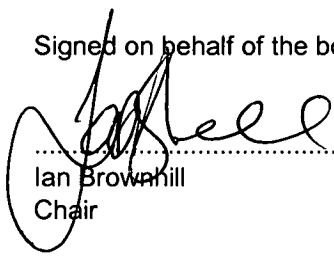
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

Statements as to disclosure of information to auditors

So far as the Directors are aware:

- (a) there is no relevant audit information for which the company's auditors are unaware; and
- (b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on behalf of the board of trustees on 15 September 2014


.....
Ian Brownhill
Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROJECT FOR ADVOCACY, COUNSELLING & EDUCATION

We have audited the financial statements of Project for Advocacy, Counselling & Education for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008), United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out in the Report of the Trustees, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 15 to the financial statements.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees' to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report to the Trustees for the financial year for which the financial

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROJECT FOR ADVOCACY,
COUNSELLING & EDUCATION (contd)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.



**Michael J Moore FCA
Senior Statutory Auditor
for on behalf of MHA MacIntyre Hudson
Chartered Accountants
and Statutory Auditors
31 St George's Place
Canterbury
Kent
CT1 1XD**

Date : 17th September 2014

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2014**

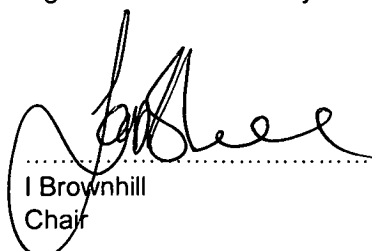
	Notes	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	18,945	-	18,945	9,962
Activities for generating funds		63,354	-	63,354	13,737
Investment income		581	-	581	1,489
Incoming resources from charitable activities	2	221,690	502,564	724,254	848,729
Other incoming resources		6,000	-	6,000	4,500
Total incoming resources		310,570	502,564	813,134	878,417
Resources expended					
Costs of generating funds		28,568	-	28,568	65,501
Charitable activities		234,018	522,334	756,352	853,599
Governance costs		50,203	-	50,203	29,788
Total resources expended	3	312,789	522,334	835,123	948,888
Net income/(expenditure)/net incoming resources for the year before transfers		(2,219)	(19,770)	(21,989)	(70,471)
Transfers between funds	10	(8,377)	8,377	-	-
Net income/(expenditure) for the year after transfers		(10,596)	(11,393)	(21,989)	(70,471)
Total funds brought forward		421,865	61,628	483,493	553,964
Total funds carried forward		411,269	50,235	461,504	483,493

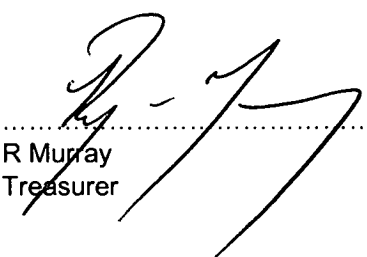
BALANCE SHEET
AS AT 31 MARCH 2014

		2014	2013
	Notes	£	£
Fixed assets			
Tangible assets	6	10,360	20,076
Investments	7	<u>120,100</u>	<u>120,100</u>
Total fixed assets		130,460	140,176
Current assets			
Debtors	8	69,368	87,290
Cash at bank and in hand		<u>339,885</u>	<u>373,549</u>
Total current assets		409,253	460,839
Creditors: Amounts falling due within one year	9	<u>(78,209)</u>	<u>(117,522)</u>
Net current assets		<u>331,044</u>	<u>343,317</u>
Net assets		<u>461,504</u>	<u>483,493</u>
Funds			
Restricted funds	10	50,235	61,628
Unrestricted funds			
Designated	11	208,193	208,193
General	11	<u>203,076</u>	<u>213,672</u>
Total funds		<u>461,504</u>	<u>483,493</u>

These financial statements have been prepared in accordance with the provisions of Companies Act 2006, relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Signed on behalf of the Board for issue on 15 September 2014 and are
signed on their behalf by


I Brownhill
Chair


R Murray
Treasurer

Company No 02217278

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1 Accounting Policies

- (a) The financial statements are prepared under the historical cost convention.
- (b) The financial statements have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (FRSSE; effective April 2008) and follow recommendations in Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2005) issued by the Charity Commission in March 2005.
- (c) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received.
- (d) Income from activities for generating funds is included in the Statement of Financial Activities when it is received.
- (e) Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are received or receivable, whichever is the earlier unless they relate to a specified future period in which case they are deferred.
- (f) All other income is accounted for on an accruals basis.
- (g) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.
- (h) Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as general funds. The general funds are utilised as working capital for the financing of day to day activities.
- (i) Designated funds are unrestricted funds earmarked by the Executive Committee for particular purposes.
- (j) Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered and is reported as part of the expenditure to which it relates.
- (k) Resources expended comprise all costs associated with each type of activity, including support costs. Support costs, which include staff salaries together with other support costs, are allocated to the activities of the organisation based on direct project expenditure.
- (l) The expenditure category 'Charitable activities' comprises all costs incurred for the provision of counselling, employment, advice, helpline, advocacy, relationship support, HIV prevention & sexual health, youthwork and research activities.
- (m) Cost of generating funds comprises all costs relating to fundraising activities.
- (n) Governance costs comprise the costs relating to the general running of the charity as opposed to the direct management functions inherent in service delivery. These activities provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability. Expenditure includes staff time and other direct items such as external audit.
- (o) Tangible fixed assets are stated at cost less depreciation.
Depreciation is provided on all tangible assets above £500 at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Leasehold improvements	-	over the remaining life of the lease
Fixtures, fittings and equipment	-	4 years
Computer Software	-	4 years

Depreciation is charged in full in the year that assets are brought into use.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1 Accounting Policies (contd)

- (p) Investments are stated at market value at the balance sheet date.
- (q) The level of all reserves are reviewed by the trustees at least once during each financial year. As part of this review, they evaluate whether the balances on the designated funds accurately represent likely future costs. Any under or over provisions are dealt with by transfers between these funds and, where applicable, the General Funds.
- (r) Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

2 Incoming resources

2. (a) Voluntary income

Included in voluntary income are the following grants for core costs and other central activities:-

	2014 £	2013 £
Mrs. Brown & Mount Trust	-	2,000
Will Young	10,000	-
Other Donations	8,945	7,962
	<u>18,945</u>	<u>9,962</u>

2. (b) Activities for generating funds

	2014 £	2013 £
Just Giving	12,776	9,272
Employee secondment	20,695	-
Training income	2,650	750
Bright Night	23,219	-
Big Gay £10k	-	3,560
TLI Project	3,000	-
General fundraising	1,014	155
	<u>63,354</u>	<u>13,737</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

2 Incoming resources	Unrestricted	Restricted	2014 Total	2013 Total
	£	£	£	£
2. (c) Charitable activities				
Counselling				
DfE Couples Counselling	-	14,287	14,287	-
London Borough of Hackney	-	28,488	28,488	29,369
Counselling Services	29,482	-	29,482	32,106
Sub-total for Counselling	29,482	42,775	72,257	61,475
Employment				
Trust for London	-	7,500	7,500	30,000
Sub-total for Employment	-	7,500	7,500	30,000
Advice, Helpline & Advocacy				
Comic Relief	-	49,802	49,802	48,352
Other Small Grants	-	600	600	-
Henry Smith	-	30,100	30,100	29,400
Big Lottery Fund: Reaching Communities	-	79,302	79,302	138,396
National LGBT Partnership	7,500	-	7,500	10,000
Sub-total for Advocacy	7,500	159,804	167,304	226,148
Relationship support				
DfE Relationship Support	-	58,422	58,422	157,206
DfE Marriage Care	-	33,646	33,646	-
DfE Trainer	-	24,998	24,998	-
Galop - Domestic Violence	-	34,518	34,518	11,025
Sub-total for Family Services	-	151,584	151,584	168,231
HIV Prevention & Sexual Health				
Pan London HIV Commissioners	152,740	-	152,740	152,750
Sub-total for HIV Prevention & Sexual Health	152,740	-	152,740	152,750
Youthwork				
Children in Need	-	32,585	32,585	14,870
City Bridge Trust	-	-	-	39,000
Help A Capital Child	-	-	-	2,551
Hackney Youth	13,218	-	13,218	13,218
London Councils - Anti-Bullying	-	-	-	21,826
Stonewall Housing	18,750	-	18,750	17,579
Sub-total for Youthwork	31,968	32,585	64,553	109,044
Research				
Big Lottery Fund	-	108,316	108,316	101,081
Sub-total for Research	-	108,316	108,316	101,081
Total incoming resources from charitable activities	221,690	502,564	724,254	848,729

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

3 Total resources expended

	Direct costs of activities £	Support costs £	Total 2014 £	Total 2013 £
Activity :				
Counselling	46,115	19,083	65,198	68,535
Employment	4,570	1,889	6,459	29,804
Advice, Helpline & Advocacy	123,584	51,142	174,726	180,366
Relationship Support	97,996	40,554	138,550	204,194
HIV Prevention & Sexual Health	103,182	42,700	145,882	109,186
Youthwork	63,010	26,075	89,085	159,321
Research	96,514	39,938	136,452	102,193
Fundraising	20,205	8,363	28,568	65,501
Governance	35,508	14,695	50,203	29,788
Total resources expended	590,684	244,439	835,123	948,888

The breakdown of the direct costs of activities and support costs is given in notes 3.1 and 3.2

PROJECT FOR ADVOCACY, COUNSELLING & EDUCATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

3 Total resources expended

3.1 Direct costs of activities

										Total	Total
	Counselling	Employment	Advice, Helpline, Advocacy	Relationship Support	HIV Prevention & Sexual Health	Youthwork	Research	Fundraising	Governance	2014	2013
	£	£	£	£	£	£	£	£	£	£	£
Wages and Ers NI	27,470	4,570	84,767	82,646	36,510	58,292	72,828	-	20,105	387,188	459,439
Sub-Contractors	2,254	-	29,700	7,310	43,529	-	15,936	-	1,540	100,269	141,663
Recruitment	395	-	-	2,025	-	-	219	-	-	2,639	5,958
Staff Training	2,607	-	1,202	2,042	3,435	220	815	-	-	10,321	7,320
Redundancy	-	-	-	-	-	2,902	-	-	-	2,902	23,569
	32,726	4,570	115,669	94,023	83,474	61,414	89,798	-	21,645	503,319	637,949
Advertising	2,554	-	1,765	442	8,375	-	3,511	756	-	17,403	21,805
Workshop	-	-	-	-	-	-	-	-	-	-	-
Expenses	-	-	723	2,125	3,107	148	71	-	-	6,174	8,204
Audit Fees	-	-	-	-	-	-	-	-	8,700	8,700	6,560
Legal Fees	-	-	-	-	-	-	-	-	2,040	2,040	4,863
Board Expenses	-	-	-	-	-	-	-	-	2,003	2,003	543
Trustee Insurance	-	-	-	-	-	-	-	-	1,120	1,120	1,172
Bright Night Expenditure	-	-	-	-	-	-	-	19,449	-	19,449	-
Other Direct Costs	10,835	-	5,427	1,406	8,226	1,448	3,134	-	-	30,476	25,432
	46,115	4,570	123,584	97,996	103,182	63,010	96,514	20,205	35,508	590,684	706,528

PROJECT FOR ADVOCACY, COUNSELLING & EDUCATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

3 Total resources expended

3.2 Support costs allocated to activities

										Total	Total
	Counselling	Employment	Advice, Helpline, Advocacy	Relationship Support	HIV Prevention & Sexual Health	Youthwork	Research	Fundraising	Governance	2014	2013
	£	£	£	£	£	£	£	£	£	£	£
Staff Costs											
Wages and Ers NI	9,459	937	25,350	20,102	21,165	12,925	19,798	4,145	7,284	121,165	127,658
Sub-Contractors	1,330	132	3,563	2,826	2,975	1,817	2,782	583	1,024	17,032	2,125
Recruitment	426	42	1,141	905	952	582	891	187	329	5,455	3,115
Staff Training	156	15	418	332	350	213	327	68	120	1,999	655
Redundancy	-	-	-	-	-	-	-	-	-	-	6,519
Total Staff Costs	11,371	1,126	30,472	24,165	25,442	15,537	23,798	4,983	8,757	145,651	140,072
Premises	3,646	361	9,772	7,748	8,159	4,982	7,631	1,598	2,808	46,705	46,463
I T Costs	1,004	99	2,690	2,133	2,246	1,371	2,099	440	773	12,855	13,355
Professional services	165	16	443	351	372	226	346	72	126	2,117	3,625
Depreciation	846	84	2,268	1,798	1,892	1,156	1,771	371	652	10,838	13,260
Other Office Expenses	2,051	203	5,497	4,359	4,589	2,803	4,293	899	1,579	26,273	25,585
	<u>19,083</u>	<u>1,889</u>	<u>51,142</u>	<u>40,554</u>	<u>42,700</u>	<u>26,075</u>	<u>39,938</u>	<u>8,363</u>	<u>14,695</u>	<u>244,439</u>	<u>242,360</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

4 Staff costs and numbers

	2014	2013
	£	£
Salaries	465,703	536,666
Social security costs	42,650	50,431
Recruitment	8,094	9,073
Redundancy	2,902	30,088
Staff Training	12,320	7,975
	<u>531,669</u>	<u>634,233</u>

The number of full time equivalent paid employees (part-time and full-time) during the year was:

	2014	2013
	Number	Number
Counselling	1	1
Employment	1	1
Advice, Helpline, Advocacy	2	2
Relationship Support	2	3
HIV Prevention & Sexual Health	1	1
Youthwork	2	3
Research	2	1
Fundraising & Support	3	4
	<u>14</u>	<u>16</u>

No employee earned more than £60,000 in the year (2013 - nil)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

5 Taxation

All income is applied for charitable purposes and therefore any surplus is exempt from corporation tax.

6 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Computer Software £	Total £
Cost				
At 1 April 2013	222,403	58,049	12,344	292,796
Additions in year	1,122	-	-	1,122
Disposals in year	-	-	-	-
At 31 March 2014	223,525	58,049	12,344	293,918
Depreciation				
At 1 April 2013	222,403	38,802	11,515	272,720
Charge for year	561	9,807	470	10,838
Disposals in year	-	-	-	-
At 31 March 2014	222,964	48,609	11,985	283,558
Net Book Value				
At 31 March 2014	561	9,440	359	10,360
At 31 March 2013	-	19,247	829	20,076

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

7 Investments	2014 £	2013 £
Market value at 1 April 2013	120,100	120,100
Additions	-	-
Market value at 31 March 2014	<u>120,100</u>	<u>120,100</u>

Investments have been held for income appreciation. The investment is with CCLA Investment Management Ltd in a COIF Charities Deposit Fund

8 Debtors	2014 £	2013 £
Accounts receivable	42,702	7,151
Prepayments	14,478	17,091
Accrued income	<u>12,188</u>	<u>63,048</u>
	<u>69,368</u>	<u>87,290</u>

9 Creditors: Amounts falling due within one year	2014 £	2013 £
Sundry creditors	41,573	50,165
Taxation and social security	-	14,587
Accruals	14,285	19,467
Deferred Income	<u>22,351</u>	<u>33,303</u>
	<u>78,209</u>	<u>117,522</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

10 Movement on restricted funds

	1 April 2013	Incoming resources	Outgoing resources	Transfers	31 March 2014
	£	£	£	£	£
Counselling					
DfE Couples Counselling	-	14,287	23,961	4,225	(5,449)
London Borough of Hackney (formerly City & Hackney Primary Care Teaching Trust)	-	28,488	29,340	-	(852)
Gay London Police Monitoring Group (GALOP)	-	34,518	31,332	-	3,186
Employment					
Trust for London	945	7,500	5,658	-	2,787
Advice, Helpline, Advocacy					
Comic Relief	2,905	49,802	48,605	-	4,102
Other Small Grants	-	600	600	-	-
Henry Smith	385	30,100	29,022	-	1,463
BLF: Reaching Communities	32,152	79,302	96,525	-	14,929
The Kings Fund	3,771	-	-	-	3,771
Department for Education					
eQuality Charter Mark	2,300	58,422	56,290	-	4,432
Marriage Care	-	33,646	26,276	-	7,370
Trainer	-	24,998	24,453	-	545
Youthwork					
Children in Need	(5,619)	32,585	22,237	-	4,729
City Bridge Trust	8,725	-	12,877	4,152	-
Research					
The Big Lottery Research project	16,064	108,316	115,158	-	9,222
	<u>61,628</u>	<u>502,564</u>	<u>522,334</u>	<u>8,377</u>	<u>50,235</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

10.1 Narrative on Restricted Funds**Counselling:****Department for Education - Couples Counselling**

Funding over two years from DfE to provide face to face, telephone and online counselling. The aim of the programme is to improve relationship quality and assist with separation. We currently have one volunteer counsellor and are about to employ a part time online counsellor to alleviate the deficit from unmet targets.

London Borough of Hackney (formerly City and Hackney Primary Care Teaching Trust)

Funding to provide up to 10 sessions of individual counselling to LGBT clients living in the boroughs of City & Hackney over 1 year. The funding has been extended for another year.

Gay London Police Monitoring Group (GALOP)

Funding for the Partnership provided by London Councils to provide a pathway of services for LGBT victims/survivors of domestic abuse. PACE will also run two workshops per year for survivors.

Employment:**Trust For London**

Money received to deliver sessions of individual employment coaching, personal development workshops (4 at targeted groups) and a monthly coaching circle to LGBT people with mental health issues and long-term unemployment over 1 year. The project outcomes are to enable clients into employment, training & education, or volunteering.

Advocacy:**Comic Relief**

Money received to deliver mental health advocacy to LGBT people experiencing mental health problems. The project outcomes are to enable clients to have greater access to appropriate services, and to express their needs to service providers.

Other Small Grants

Money granted from Al-Mizan and Glasspool Charity Trusts to advocacy clients to assist with financial hardship. Items such as clothes, white goods and beds could be bought with these funds. PACE applies on behalf of the clients and the money granted is sent to PACE and then is passed onto the client.

Henry Smith

Money received towards three years' running costs of an advocacy service for people who are lesbian, gay, bisexual or transgender who have mental health problems in London.

Big Lottery Fund - Reaching Communities

Funding received for three years to provide support to isolated individuals using an online platform with LGBT people providing peer support.

The Kings Fund

Money to deliver volunteer led one to one advocacy.

Department for Education**eQuality Charter Mark:**

Funding received for two years to develop a new charter mark standard for mainstream relationship support organisations working with LGBT people to improve their delivery to this client group. The project will also deliver Family Therapy, Family Mediation & Couples Counselling to inform good practice guidance in the development of the charter mark.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

10.1 Narrative on Restricted Funds (contd)**Department for Education contd****Marriage Care**

Funding received for two years to develop support workshops for LGBT+ people to explore how to have healthy relationships; getting serious and thinking about becoming parents. Workshops takes place face to face and also online.

Trainer

Funding received for two years to train counsellors and therapists in mainstream settings to become 'Expert Practitioners' with LGBT+ clients - the training will 'contribute to the development of skilled relationship support specialists'.

Youthwork:**Children in Need**

Money received to deliver counselling to young people under 18 years old across London who are at risk of self harm or suicide. The project outcomes are to reduce isolation, self harm, anxiety and depression, and increase self worth, coping skills and confidence. With continuation funding from January 2013, the project was extended for young people to access SMS, email and online support.

City Bridge Trust

Provides funding for the youth service manager post. The overspend of £4,152 was funded by unrestricted reserves.

Research:**Big Lottery Research Project**

PACE LGBT Mental Health Inequalities Research Project is funded to research existing evidence of the significant elevated risks of (a) Attempted suicide amongst LGBT young people, (b) Alcohol dependence amongst lesbian and bisexual women, (c) Eating and body image problems amongst gay and bisexual men by seeking to understand which LGBT people are more likely to experience these problems, and why and what protects against these problems. The findings of the research project will inform service delivery of mainstream and specialist organisations to improve the ability to target and provide services for LGBT people experiencing or at risk of the above mental health issues.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

11 Movement on unrestricted funds

	1 April 2013	Incoming resources	Outgoing resources	Transfers	31 March 2014
	£	£	£	£	£
Designated Funds:-					
Contractual Commitments	109,539	-	-	-	109,539
Building and Equipment	68,654	-	-	-	68,654
Relocation	30,000	-	-	-	30,000
Total Designated Funds	208,193	-	-	-	208,193
General Funds	213,672	310,570	(312,789)	(8,377)	203,076
Total Unrestricted	421,865	310,570	(312,789)	(8,377)	411,269

The Contractual Commitments Fund is to cover redundancy, maternity, long-term sickness and other unforeseen staffing costs. It also provides funds to cover for the lease of the main charity premises and other operational leases in the event of organisational closure prior to the completion of the lease.

The Buildings and Equipment Fund is established to provide for maintenance and cyclical internal (5 yearly) and external (3 yearly) decoration of premises.

The Relocation fund was created because when the lease for the current premises expires, and in the event that PACE moves to new premises, the total costs of the move are estimated to be approximately £30,000.

12 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total £
Total fixed assets	-	130,460	130,460
Current assets	50,235	359,018	409,253
Creditors: Amounts falling due within one year	-	(78,209)	(78,209)
	50,235	411,269	461,504

13 Trustee remuneration and expenses

The trustees received no remuneration in the year and charged no expenses.

PACE paid Trustee Indemnity Insurance of £1,120 for 2013-14, and £1,172 for 2012-13.

14 Financial Commitments

At 31 March 2014, the charity had annual commitments under non-cancellable leases as follows:-

	Land & Buildings 2014 £	Other 2014 £	Land & Buildings 2013 £	Other 2013 £
Expiry date:				
Within one year	32,500	-	-	2,332
	32,500	-	-	2,332

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

15 APB Ethical Standard - Provisions Available for Small Entities

We have used our auditors to provide guidance in the appointment of Finance staff during the year.