

THE GLOBE CENTRE (City and East London) Limited

Report and Financial Statements for the year ended 31 March 2008

**Company registration number: 2546750 (a company limited by guarantee)
Charity registration number: 1001582**

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**Trustees' Report and Accounts
for the year ended 31 March 2008**

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Patrons, Trustees and Charity Information

Patrons	Kevin Everett Elizabeth Hurley Sir Elton John Revd Malcolm Johnson Eddie Oliver Stephen O'Brien Right Revd Roger Sainsbury Sir Neil Shaw David Vermont John Vetere Zoe Wannamaker	
Trustees/ Directors	Matthew Hale Paul Fleming Azad Khaleel Graham Stoner Florence Llabwo Marigold Chirisa Sarah Malcolm Tom O'Keefe	(resigned 9 September 2008) (appointed 11 September 2007) (appointed 11 September 2007) (appointed 11 September 2007) (appointed 11 September 2007) (appointed 11 September 2007) (appointed 11 September 2007)
Company Secretary	Paul Fleming	
Company no	2546750 (A company limited by guarantee)	
Registered charity no	1001582	
Registered office	29 Ludgate Hill London EC4M 7JE	
Principal address	159 Mile End Road London E1 4AQ	
Principal bankers	National Westminster Bank PLC Mile End Branch 331/335 Whitechapel Road London E1 1AU	
Auditors	Target Winters Limited Chartered Accountants & Registered Auditors 29 Ludgate Hill London EC4M 7JE	

The Board of Trustees present their report and the audited financial statements for the year ended 31 March 2008

Constitution

Company Limited by Guarantee The Globe Centre (City and East London) Limited is a company limited by guarantee (No 2546750) The liability of members is limited to £1 each in the event of the company being wound up The members are admitted by the Board of Trustees

Charity The company is also a registered charity (No 1001582) and as such is not liable to income tax, corporation tax, and capital gains tax

Governing Documents As a company limited by guarantee, the objectives and legal framework of the company are set out in its Memorandum and Articles of Association, which are available at the registered office

Objectives

- (i) To relieve persons in the City of London and East London and the surrounding area who are suffering from or affected by Acquired Immune Deficiency Syndrome (AIDS), other illness caused by or related to the Human Immunodeficiency Virus (HIV) or any other diseases or conditions which cause severe mental or physical disability in particular by providing or assisting in the provision of counselling, advice, medical assistance, homes, hospitals, services and places of resort and refuge for such persons which would not otherwise be provided by the local authority
- (ii) To advance public education and to promote and preserve the health of the general public by conducting research into AIDS, HIV and other illnesses or conditions and disseminating the useful results of such research
- (iii) To establish or secure the establishment of a Centre and to maintain and manage the Centre in furtherance of these objects

Trustees

The Board of Trustees of the charity are the directors for Companies Acts purposes, and are authorised to appoint new trustees to fill vacancies Representatives from Service Users and Volunteers sit on the Board, which is responsible for the strategic direction of the Centre Management of the charity is delegated to the Director

The Trustees and the principal officers during the year are shown on page 2

Investment Powers

The Trustees are authorised to make and hold investments using the general funds of the charity, but no such investments are presently held

Development, Activities and Achievements

Introduction

The principal activity of the Charity in the period under review was the provision of some services to those affected by HIV and AIDS in the City and East London area

Specifically in The Globe Centre Accounts in 2007-08

Specifically in the year under review the final year of a three year Volunteering project, which was under the banner of Ensuring Positive Futures, and centred around assisting service users back into either employment or up-skilling themselves to enable indepent living came to an end. A small project to assist service users stop smoking has also been managed and run from the Centre. The rest of the varied business that was undertaken within the Stepney Centre is undertaken in the name of Positive East.

These accounts reflect the delivery of the activities related to providing the Ensuring Positive Futures and Stop Smoking projects. They do not include the cost involved in running the many other activities which the parent charity Positive East has undertaken in the Centre. These activities are reported separately within the accounts of Positive East.

Financial Review

The Statement of Financial Activities of the Charity is on page 9. The Trustees report a deficit for the year. Total incoming resources were £23,127 (2007: £73,975), and total resources expended fell to £39,968. The General Fund fell to £1,121 (2007: £1,206).

The reduction in activity in the year reflects the running down of the main activity, namely the employability programme sponsored by the European Social Fund. In addition, the unexpected and unfortunate financial collapse of the lead partner (The UK Coalition of People living with HIV and AIDS) meant that all the income has been written off with little expectation of recovery from the liquidator. This is the principal cost associated with the accounts for the year.

The Board of Trustees Report for the year ended 31 March 2008 (Cont'd)

Risk Management

Management at the direction of the Board have continued to review the risk profile of the charity as part of its governance responsibilities in accordance with the process described in earlier years

Internal threats The obvious threats from fire or theft have continued to be monitored and are all fully insured. The consolidation of the charity into an inner larger and outer smaller hub in the period under review has meant that the loss of an individual office is now more critical to the charity as we are no longer able to absorb the staff at one site amongst the other sites. So a specific review was undertaken to ensure that the Business Interruption aspects of the policy are sufficient to meet the needs of the charity to let additional space in the event that the main Stepney Centre was to become inoperable. The cover is adequate.

Additionally, with the concentration of more of the assets of the charity into a single site, we have implemented a Health and Safety Group within the charity to monitor and manage all physical risks to the organisation. This group has resulted in a number of upgrades to the fire and alarm systems, as well as to the electrical installations on site. The Group will continue to work through the physical risks to the charity, and reporting through the People Management Sub-committee to the Board, reports their findings and

The external threats The charity continues to operate a series of Board and specialist sub-committees on a regular basis, and is now planning a review of its strategic direction as part of the post merger, post reorganisation stakeholder and service user eoidemiology evaluation.

Additionally we have employed a fundraising officer to help develop new sources of funds as well as beef up the existing funders and we are reorganising to be more delivery focused in our services and reporting to meeting the increased demands of statutory funders.

Summary Finally the charity has reviewed its governance structures and continues to operate a series of frequent board and specialist subcommittees on a regular basis, runs Trustee away days and maintains a rolling strategic review with periodic staff and service user input / feedback sessions. In addition it is intending to formalise and tighten control going forward with a specific change management programme being launched in the new year to inform and energise the stakeholders to assist in the journey into the future.

Board of Trustees Report for the year ended 31 March 2008 (Cont'd)

Designated Funds

A Fixed Asset Fund was set up to equate to the net book value of fixed assets at 31 March 1995, reduced by the related capital grant from the then North East Thames Regional Health Authority. This fund is utilised each year to match the annual depreciation of the assets concerned. Of the equipment, furniture and leasehold improvements purchased to create the Centre at 159 Mile End Road, the balance remaining now consists entirely of the unwritten-down value of the leasehold improvements.

Restricted Funds

Restricted funds are established when an incoming resource is given for a restricted purpose, and are set out in note 10 to the Financial Statements.

General Funds

These represent all funds that are not designated or restricted, and are available to the Trustees for any purpose within the charitable objectives.

Auditors

In accordance with section 285 of the Companies Act 1985 a resolution to reappoint Target Winters Limited as the company's auditors will be proposed at the Annual General Meeting.

Statement of disclosure to auditors

(a) So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and

(b) they have taken all the steps they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Board of Trustees Report for the year ended 31 March 2008 (Cont'd)

Statement of Trustees' Responsibilities

The law applicable to charities in England and Wales requires the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those accounts, the Board of Trustees should follow best practice and

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and the Statement of Recommended Practice have been followed, subject to any departures disclosed and explained in the Financial Statements
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Board of Trustees are responsible for ensuring that proper accounting records are kept, which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Trustees confirms acceptance of this responsibility.

Signed on behalf of the Trustees



Azad Khaleel
Trustee



Paul Fleming
Trustee

21 October 2008

**Independent Auditor's Report to the Members of
The Globe Centre (City and East London) Limited**

We have audited the financial statements of The Globe Centre (City and East London) Limited for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charity's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity'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 described in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements. We also report to you if in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Annual Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs at 31 March 2008, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Annual Report is consistent with the financial statements.



Target Winters Limited
Chartered Accountants
Registered Auditors
29 Ludgate Hill
London
EC4M 7JE

Date 21 October 2008

Statement of Financial Activities for the year ended 31 March 2008

	Notes	General funds £	Designated funds £	Restricted funds £	Total Funds 2008 £	Total Funds 2007 £
Incoming Resources:						
Incoming Resources from generated funds						
Incoming resources from charitable activities						
Project Funding	2	-	-	23,127	23,127	73,975
Total Incoming resources		-	-	23,127	23,127	73,975
Resources expended:	3					
Charitable Activities:						
Assessment & Advice Services		-	242	95	337	337
Open Access		-	2,127	-	2,127	2,127
Healthy Living		-	5,365	263	5,628	5,627
Career & Volunteering Opportunities		-	3,033	14,597	17,630	70,401
Other Services		-	4,197	9,177	13,374	11,447
Governance costs		85	447	341	873	977
Total Resources Expended		(85)	(15,411)	(24,473)	(39,969)	(90,916)
Net Resources for the Year		(85)	(15,411)	(1,346)	(16,842)	(16,941)
Balances brought forward at 1 April 2007		1,206	107,871	8,581	117,658	134,599
Balances carried forward at 31 March 2008		£1,121	£92,460	£7,235	£100,816	£117,658

Balance sheet at 31 March 2008

	Notes	31 March 2008	31 March 2007 £
Fixed Assets			
Net tangible fixed assets		181,578	212,420
less Unexpended Government Grant	8	(84,000)	(98,000)
Net Fixed Assets	6	97,578	114,420
Current Assets			
Cash at bank and in hand		13,301	14,958
		13,301	14,958
Creditors:			
Amounts falling due within 1 year	7	10,062	11,720
Net Current Assets		3,239	3,238
Net Assets	11	£100,817	£117,658
Funds and Reserves			
Unrestricted Funds			
General Funds		1,121	1,206
Designated - Fixed Asset Fund	9	92,461	107,871
Restricted Funds	10	7,235	8,581
Total Reserves		£100,817	£117,658

These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for smaller entities (effective January 2007) The financial statements were approved by the Trustees on 21 October 2008 and are signed on their behalf by



Azad Khaleef
Trustee
21 October 2008



Paul Fleming
Trustee

Notes to the Financial Statements for the year ended 31 March 2008**1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's Financial Statements

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Financial Reporting Standards for Smaller Entities (effective January 2007)

1.2 Services - in - kind

No account is made of the significant contributions of volunteers and voluntary organisations, who provide services free of charge

1.3 Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition

Donated assets are included in income and capitalised at their estimated value to the charity where the value is ascertainable and material

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual value, on a straight line basis over the useful economic lives of the assets concerned as follows

Leasehold premises and additions	5%
Fixtures and fittings	25%
Office equipment	25%
Computer equipment	33%

1.4 Cash Flow Statement

A cash flow statement is not included in these accounts because the Charity qualifies as a small company as defined in s246 to 249 of the Companies Act 1985. In addition Financial Reporting Standards 1 exempts the Company from this requirement

1.5 Fund Accounting

General funds comprise the accumulated surplus or deficit on income and expenditure account. They are available at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds subject to specific restricted conditions imposed by the donors. Designated funds are funds which have been set aside at the discretion of the Trustees for specific purposes.

Fixed asset funds are funds which have been set aside to account for assets that have been capitalised out of capital grants. Capital grants received to fund the cost of acquiring fixed assets are taken to the Income and Expenditure Account over the useful life of the asset concerned.

Notes to the Financial Statements for the year ended 31 March 2008**1.6 Grants from public bodies**

Government, Health, and Local Authority grants received in respect of expenditure charged to the Income and Expenditure Account during the year have been included in the Income and Expenditure Account

- . Grants for immediate expenditure are accounted for when they become due
- . Grants received for specific purposes are treated as restricted funds
- . Grants restricted to future accounting periods are deferred and recognised in those periods
- . Capital Grants are credited to the Income and Expenditure Account over the estimated useful life of the fixed asset by reducing the acquisition costs of the fixed asset by the amount of the grant, and basing the annual depreciation charge on the net account

1.7 Voluntary Income

Voluntary income and donations are accounted for as received by the Charity. The income from fund-raising ventures are shown gross with the associated expenditure included in publicity and fund-raising expenditure

1.8 Investment Income

Investment Income is included gross in the Financial Statements

1.9 Resources expended

Expenditure is allocated and classified under the Charity's principal categories of activity rather than types of expenses in order to provide more useful information to users of the accounts (see note 3)

The cost headings comprise expenditure directly attributable to the activity. Where overhead costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources, such as staff time or building space used, and previous periods

Publicity and fund-raising costs include the costs of promoting the Charity. Management and administration costs are those incurred in connection with the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements such as the auditor's remuneration of £1,500 (2007 £1,500)

1.11 Pensions

The Charity does not operate its own pension scheme

1.10 Value Added Tax

The Charity is not registered for Value Added Tax (VAT), and is therefore unable to reclaim any input tax on its expenditure. Such expenditure in the accounts is shown inclusive of VAT

1.11 Tax Status

The Charity is a registered charity and its income is within the exemptions of the Income and Corporation Taxes Act 1988

1.12 True and fair view

The Charity does not seek to make a profit, nor can its results be measured by normal commercial criteria. In order that a true and fair view of the activities is given, a Statement of Financial Activities has been included in place of a profit & loss account as required by the Companies Act 1985

Notes to the Financial Statements for the year ended 31 March 2008**2 Project Funding**

	Restricted funds £	Total Funds £	Total Funds 2008	Total Funds 2007 £
Positive Futures/European Social Fund	13,950		13,950	66,475
Tower Hamlets PCT - Stop Smoking	9,177		9,177	7,500
Total	23,127		23,127	73,975
2007	73,975		73,975	

3 Total resources expended

Costs are split between functions on the following basis

Staff salaries are allocated according to the estimated time spent on each activity

Actual costs incurred in carrying out an activity are charged to that activity

	Assessment & Advice	Open Access	Healthy Living	Career & Volunteering Opportunities	Other Services	Governance	Total	Total
								£
Staff Salary Charge	-	-	-	32	8,106	-	8,138	52,952
Volunteer Costs	-	-	-	716	91	-	807	3,290
Direct Service Costs	-	-	-	319	980	-	1,299	1,999
Office Costs	-	-	-	-	-	-	-	8,228
Bad Debt written off	-	-	-	12,883	-	-	12,883	-
Premises Costs	-	-	-	-	-	-	-	7,506
Depreciation	337	2,127	5,628	3,679	4,197	873	16,841	16,941
Subtotal	337	2,127	5,628	17,629	13,374	873	39,968	90,916
2007	337	2,127	5,627	70,401	11,447	977	90,916	

4. Analysis of Resources Expended

The following have been charged to the Statement of Financial Activities

	2008	2007
Depreciation	16,842	16,941
Auditors' Remuneration	1,500	1,500
Bad Debt written off	12,883	0

During the year it became clear that the UK Coalition of People living with HIV and AIDS, one of the charity's funders, would enter administration, and accordingly default on payment of the grant due from Positive Futures in respect of the European Social Fund. An amount of £12,883 has been identified as due and therefore written off above.

5. Trustees

No expenses were reimbursed to any trustees. Trustees received no remuneration during the year.

Notes to the Financial Statements for the year ended 31 March 2008**6. Tangible fixed assets**

	Leasehold Improvements	Less Government Grant	Furniture & fittings	Office equipment	Total 2008	Total 2007
	£	£	£	£	£	£
Cost						
At 1 April 2007	596,722	(280,000)	47,302	1,190	365,214	497,123
Additions	-	-	-	-	-	-
Disposals	-	-	(7,900)	(1,190)	(9,090)	(131,909)
At 31 March 2008	596,722	(280,000)	39,402	0	356,124	365,214
Accumulated Depreciation						
At 1 April 2007	385,308	(182,000)	46,296	1,190	250,794	365,762
Charge for the year	29,836	(14,000)	1,006	-	16,842	16,941
Depreciation on Disposals	-	-	(7,900)	(1,190)	(9,090)	(131,909)
At 31 March 2008	415,144	(196,000)	39,402	0	258,546	250,794
Net book value at 31 March 2008	181,578	(84,000)	-	0	97,578	114,420
Net book value at 31 March 2007	211,414	(98,000)	1,006	-	114,420	

The value of leasehold improvements represents the expenditure by the company to renovate the building. In 1993/94 the company received a Capital Grant of £280,000 towards these improvements from North East Thames Regional Health Authority and this is deducted from Fixed Assets. The Leasehold Tenure on the building is 125 years, expiring in 2118, at a peppercorn rent.

Notes to the Financial Statements for the year ended 31 March 2008**7 Creditors due within one year**

	2008	2007
	£	£
Other creditors (Current account with associate company)	10,062	11,720
Total	10,062	11,720

8 Unexpended Government Grant

	2008	2007
	£	£
Balance brought forward	98,000	112,000
Amortised during year (Year 12 of 20)	(14,000)	(14,000)
Balance carried forward	84,000	98,000

The Unexpended Capital Grant is shown in the Balance Sheet as a deduction from the Leasehold Improvements towards which it was granted. The Grant is amortised at 5% per annum on a straight line basis in line with the depreciation on Leasehold Improvements.

9 Designated Funds

The value of the Fixed Asset Fund represents the amount raised by the company in an appeal to renovate the building in 1993/94, net of a Capital Grant of £280,000 towards these improvements from North East Thames Regional Health Authority. The Fund is amortised at 5% per annum on a straight line basis in line with the depreciation on Leasehold Improvements. £15,410 (2007 £15,410) was utilised during the year.

10 Restricted funds

The outstanding balances comprising the restricted funds are -

Donor	Project	Income	Expenditure	2008	2007
		£	£	£	£
<i>Amounts utilised for depreciation on capital grants</i>					
Spitalfields Market CT	Car park perimeter security fencing	-	151	4,442	4,916
Co-operative W S	do	-	190	2,793	2,660
Ford of Britain	Refurbishment, Hydro pool	-	480	-	480
Positive Futures /	Equipping "HIV & Employment"	-	525	-	525
<i>Grants made to support "HIV & Employment"</i>					
Positive Futures /	HIV and Employment	13,950	13,950	-	-
European Social Fund					
<i>Grants made to support Social Policy</i>					
Tower Hamlets PCT	Stop Smoking	9,177	9,177	-	-
Total Restricted Funds		23,127	24,473	7,235	8,581
2007		73,975	75,317	8,581	

Notes to the Financial Statements for the year ended 31 March 2008**11. Analysis of Net Assets between funds**

	General fund £	Designated fund £	Restricted fund £	Total 2008 £	Total 2007 £
Fixed Assets	676	92,461	4,442	97,579	114,419
Current Assets	10,508	-	2,793	13,301	14,958
Current Liabilities	(10,063)	-	-	(10,063)	(11,719)
Net Assets	1,121	92,461	7,235	100,817	117,658
2007	1,206	107,872	8,580	117,658	