

Company Registration No. 02546750
Charity Registration No. 1001582

POSITIVE EAST

(A charitable company limited by guarantee)

**BOARD OF TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2019

MONDAY



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18/11/2019

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COMPANIES HOUSE

BOARD OF TRUSTEES AND ADVISORS**Patron**

Lord Collins of Highbury
Rt. Hon Stephen Timms MP

Board of Trustees

Graham Stoner*
Marigold Chirisa +
Pete McDonnell* (Chair and co-chair of Finance and Fundraising Subcommittee)
Ravi Ravindran* (Treasurer and Chair of Finance and Fundraising Subcommittee)
Rebecca Wilkins+ (Chair People and Services Committee)
Nena Foster*
Simon Killick (resigned 11 March 2019)
Sarah Malcolm*
Mike Burnham *
Tony Parker +
Selin Yurdakul + (appointed 19 November 2018)

* Member of Finance and Fundraising Committee

+ Member of People and Services Committee

Chief Executive/Director

Mark Santos

**Secretary and
registered office**

Mark Santos
159 Mile End Road
London E1 4AQ

Principal bankers

Unity Trust Bank Plc
Nine Brindleyplace
4 Oozells Square
Birmingham
B1 2HB

BOARD OF TRUSTEES AND ADVISORS (cont.)

Solicitors (Probono)	CMS Cameron McKenna Naborro Olswang LLP Cannon Place, 78 Cannon Street London EC4N 6AF
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Solicitors	Russell Cooke 2 Putney Hill London SW15 6AB
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Auditors	M J Bushell Ltd 8 High Street Brentwood Essex CM14 4AB
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Company registration number	02546750
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Registered charity number	1001582
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**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019**

The Board of Trustees are pleased to present their annual report and the financial statements of the charity for the year ended 31 March 2019, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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 2015)".

Legal and administrative information

The charity Positive East is the result of a merger between 2 charities in 2005. They were London East Aids Network (company # 02544440 and charity # 1001106) and The Globe Centre (company #02546750 and charity # 1001582). For legal and business reasons, the main activities of the charity recorded under the old LEAN company and charity numbers were combined with the assets of the Globe Centre and now trade under the Globe Centre company and charity numbers. But the history of the charity's activities pre-2009 is found under company # 02544440 and charity # 1001106.

Positive East is a company limited by guarantee and not having a share capital (registered in England and Wales number 2546750). The governing document is the Memorandum and Articles of Association. The Company cannot pay dividends and must utilise all its funds to further its stated charitable objectives. The Company is registered at the Charity Commission (registered charity number 1001582).

Board of Trustees

The Board of Trustees is the governing body and determines the strategy and policy of the organisation. Members of the governing body are charity trustees as defined by the Charities Act, and are registered as directors in accordance with the Companies Act.

The Board of Trustees is responsible for the overall management and for ensuring that Company policy is implemented by the staff through the Director and the Management Team. During the period under review the Management Team was composed of the Director, Deputy Director, Finance Director, Fundraising and Communications Manager, Advice Services Manager, Prevention and Testing Manager and Peer Support Manager as well as the Volunteer Performance Manager reflecting the services offered by Positive East and the continued shift towards community based empowerment through volunteering.

New Trustees are elected to the Board by Members of the Company throughout the year. There must be between five and fifteen Trustees at any time, unless otherwise determined by a General Meeting. The Board may also co-opt up to five additional people at any one time, so long as the number of co-optees does not exceed the number of Board members.

Periodically a skills audit is carried out to identify gaps, with new Trustees recruited when available and approved at the following Board meeting. New Trustees are given an induction, and there are opportunities for Trustee training throughout the year.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

There are two Committees reporting to the main Board. They are the Joint Finance and Fundraising Committee and the People and Services Committee. The committees provide a greater level of detailed governance oversight and control. The first is in relation to all funding and financial matters and the second all aspects of human resources (including Health and Safety) for both paid staff and the increasingly important volunteering resource as well as the charity's service delivery. Additionally, there is a Building Group set up to evaluate how the charity can best utilise the existing Stepney Centre.

Finally, there has been a Social Enterprise working group that oversees work in relation to social enterprise initiatives. These include the programme to promote wellbeing through mindfulness in the workplace to the health sector and recently more generally the finance sector as well as a range of healthy food products. The income and expenditure for this social enterprise are processed through the trading company subsidiary of Purple People Enterprises.

Due to the limited success so far of breaking into the mindfulness market the decision has been made to process the few transactions through the main charity and not the trading company for cost cutting purposes. The trading company will be maintained but left dormant in the hope that social enterprise activities in the future are more successful and therefore for tax purposes they need to be separated.

All these groupings act in an advisory capacity only, and do not have the authority to make decisions on behalf of the Board unless this power has been delegated specifically. Non-Trustees may be co-opted onto the committees but the majority of members must always be members of the Board of Trustees.

Full Board meetings take place approximately every quarter, with the committee meetings scheduled beforehand to feed summary reporting into these meetings.

The members of the Board of Trustees as at 31 March 2019, all of whom held office throughout the year, unless otherwise stated, were as follows: -

Pete McDonnell (Chair)
Graham Stoner
Marigold Chirisa
Ravi Ravindran
Rebecca Wilkins
Nena Foster
Sarah Malcolm
Mike Burnham (appointed 26 April 2018)
Tony Parker (appointed 26 April 2018)
Selin Yurdakul (appointed 19 November 2018)

The Board of Trustees is required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the surplus or deficit of the Company for that period.

The Board of Trustees confirms that suitable accounting policies have been used and applied consistently, reasonably and where estimates are required with prudent judgement in the preparation of the financial statements for the year ended 31 March 2019. The Board of Trustees also confirms that applicable accounting standards have been followed and that the financial statements have been prepared on "*the going concern basis*".

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

The Board of Trustees is responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Board acknowledges the fact that the London Borough of Tower Hamlets provides the main building at Stepney Green for a peppercorn rent. The charity wants to record its appreciation to the Borough for this support.

Charitable Objectives and Public Benefit Reporting. The Board of Trustees have taken into consideration the Charities Commission pronouncements on the reporting of public benefit that is involved in running a charity. The next few pages of the trustees report relate to the strategy and services provided and highlight the work of the charity and the many benefits that accrue to the people living with HIV as a result.

Positive East Vision

The Charity's Vision is to work towards a world where people living with HIV can fulfil their potential free from stigma and discrimination. Further, we work towards a world where the onward transmission of HIV is eliminated.

Positive East Mission

The Charity works to realise its vision through its mission which is to 'Improve the quality of life of individuals and communities affected by HIV'

Strategic Objectives

In practical terms the Charity developed a 5 year strategy through the delivery of which we seek to achieve our vision and mission. Within the strategy the Charity has 5 strategic objectives which continue to be: -

- i) Provide a holistic range of services that enable people living with HIV to promote their health and wellbeing, support self-management and gain then sustain their independence
- ii) Maintain and increase work in building a safer sex culture, supporting people to stay HIV negative, reduce undiagnosed infection, reduce late diagnosis of HIV and the onward transmission of HIV.
- iii) Expand services across London, supporting the development of best practice models. This will be done where such expansion does not pose a risk to the charity and only where it contributes to and complements the charity's core capabilities
- iv) Influence policy development and service improvement and development that will enable the Charity to further its mission and achieve its vision
- v) Ensure the Charity is sustainable, appropriately resourced, and has the broadest strategic choice to best enable achievement of its vision

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

Overview

Our year was set against a backdrop of continuing positive news in the world of HIV

- with significant reductions in new HIV diagnosis never seen before
- where London achieved the UN targets of 90:90:90 - 90% of Londoners living with HIV know their diagnosis, 90% of those Londoners are on HIV medication, and 90% of those Londoners being virally suppressed (and therefore not being able to pass on HIV)
- Combination Prevention Treatment as Prevention (TasP) Pre Exposure Prophylaxis (PrEP), Post exposure prophylaxis (PEP), Condom use and HIV testing is clearly working
- U=U - Undetectable=Untransmittable continuing to be a powerful message that people living with HIV who are virally suppressed cannot pass HIV onto their sexual partners

However, we know through the people we work with and continue to see everyday in our support and prevention services at our offices, in HIV clinics and out in the community that the job is not finished and that we are not done yet.

We know that we are not done yet as Public Health England's (PHE) epidemiological reports show that not all communities are benefiting from the great news of such significant reductions in new HIV diagnosis, people are still undiagnosed and the rates of late diagnosis with its consequential impact on individual and public health are still too high. PHE's Positive Voices report further explored through the Changing Perceptions reports (Public Health England, November 2018) and demonstrates that a significant minority of people living with HIV - a majority of the people the Charity supports - struggle to live well with HIV.

We at Positive East want the story of HIV to be an inclusive one of success involving a legacy where no person or community is left behind. This is why the work of the Charity, embedded within the communities of East London and integrated within the local HIV health and social care economy, continues to be just as important as ever.

Over the last year we continued to deliver our high quality HIV support and prevention services.

HIV Support Services

Our HIV support service offer is tailored on an individual basis through an asset based assessment process enabling people to realise that for some of the challenges they face they have the potential and resources to meet them within themselves and their networks. Our services facilitate people on their journeys from crisis to independence and helping people to sustain that independence. Over the course of the last year we have supported people through:

- providing a comprehensive information, advice, casework and advocacy service enabling people to gain the social security benefits that they are entitled, supporting people appealing against incorrect benefits decisions, navigating the implementation of universal credit, supporting people to obtain housing, address low level debt issues, actively refer people to access good quality immigration advice and hardship funds. A key service in ensuring that people living with HIV have the strong platform to be able to lead a full healthy life with HIV.
- one to one and group peer support enabling people to access emotional support, learn from the lived experience and be mentored by people living with HIV.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

- supporting people through counselling to address their mental health issues as well as helping people to work through issues ranging from anxiety, depression, sex and relationship issues amongst other issues.
- health and wellbeing workshops and a monthly e-newsletter providing people with the information and practical skills to be able to live a full healthy life with HIV
- use of our gym and access to complementary therapies
- access to a full range of volunteering opportunities helping people to build confidence, assertiveness and skills and supporting them on their personal journeys and towards employment and/or education

HIV Prevention & Testing

Our HIV prevention and testing services are dynamic and proactive reaching out and engaging with communities in places that they frequent. We have delivered HIV testing and prevention outreach and engagement from our offices, in community settings (libraries, churches, gyms), community events (African Nations Cup, Kenya in the Park, Kitenge Festival, Pride, UK Black Pride) commercial spaces (markets, pubs, saunas), public sex environments (Epping forest), net-reach (shout outs and using profiles on dating apps to offer advice). We have undertaken HIV tests and sexual health screens reaching a significant number of people who do not access statutory services.

Volunteering

All of our services are underpinned by the support of an amazing team of volunteers who enable the Charity to sustain and extend our reach both in terms of capacity but also in ensuring cultural and linguistic appropriateness of our services. Volunteers are mission critical to the work of the Charity and over the last year donated approximately 10,000 hours of time a donation (based on the London Living Wage) of over 100K.

In recognising the importance of volunteering to the work of the Charity we completed the process to achieve the Investors in Volunteering award over the course of the year. This provided us with a framework to review and improve our approach, systems and processes ensuring that we offered to the best experience to our volunteers.

Service improvement, development and Innovation

This last year has also been one of service development and innovation. We are not complacent about the need to be continually developing and improving services to ensure that they remain relevant, effectively connect with communities, and support us to best be able to address HIV need. Some examples of this work include:

- developing a sexual health chat bot 'Chat with Pat' with a grant from Comic Relief which provides information and signposting to appropriate services. Our chat bot extends our reach and promotes accessibility of information mitigating the impact of the stigma surrounding HIV and sexual health that prevents people being able to access information.
- creation of 'mama says' a short video that you can see <https://www.youtube.com/watch?v=dj0W9DZs-zg> promoting awareness around PrEP and HIV testing for people from African Communities. We used this video on our social media channels, through screens in local HIV clinics, and at community and training events. The content of the video was co-created with people living with HIV through a mixed methods approach and published in the Journal of Sexual Health (see here <https://www.tandfonline.com/doi/full/10.1080/19317611.2019.1634174>)

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

- held our first ever faith symposium attended by over 50 people with pastors and community leaders from mainly Christian Black majority churches. The symposium was a great success galvanising faith leaders in the creation of HIV friendly church communities and encouraging them to engage with other faith leaders to become part of our Faith Forum. The work with faith leaders is the culmination of 18 months of hard work by the prevention and testing team staff engaging and building relationships of trust with faith leaders.

Workforce Development

The Charity recognised that it is operating in a challenging environment whether this be responding to the changing needs of the communities we support, obtaining the resources to meet the need or navigating a continuously changing stakeholder environment.

We believed that we needed to equip our staff team and particularly those with a management responsibility with the knowledge, skills and capability to navigate this changing space. We therefore embarked on a programme of training and skills building working with Michael Lofthouse from Cranfield Trust and Sarah Malcolm -Shearer (one of our Trustees) whose expertise is in change management particularly from a people perspective. The work involved building bespoke documentation for project management and investing in training materials from Prosci. We undertook training using the delivery of projects from our strategy as an approach to make real and to positive embed the learning. Staff were trained in project management techniques which enabled the team to test and amend the documentation. Sarah Malcom-Shearer trained the staff team in people focused change management approaches using the Prosci model.

This first stage in this development programme will be followed up in the new financial year.

Sustaining Our Work

The challenge of the public sector funding reductions has meant that over the last decade and a half the Charity has been building its capability and capacity to generate voluntary income. It is simply a recognition that the statutory funding will never be enough to enable us to work towards our vision and meet the challenge that HIV presents our communities. We have therefore developed a strategy of seeking funding from Trusts and Foundations, Corporate support including sponsorship, community events and individual giving. Most notable this financial year have been 2 events. These were:

Positive Feast - this was the Charity's first venture into charity gala dinners. We decided that we would put our spin on the regular format and focus the event on the key messages around HIV and the journey we had traveled and challenges still present - #WeAreNotDoneYet. The event was supported by a steering group chaired by our patron Lord Collins of Highbury and included Mike Burnham (who went on to become a Trustee) and Sharon Auger from State Street, Heidi McCormack and Steve Wardlaw (Emerald Life), John Reid, David Blackburn and Sarah-Jane Savage (FSCS). The event was a great success exceeded expectations in terms of both the funds raised and the opportunities to highlight the key messages about HIV.

The other is the Red Run which in 2018 really ensured that this, the largest outdoor HIV community event in the UK, was now firmly in the sector's annual calendar. The event was opened by the Mayor of London Sadiq Khan, involved over 40 HIV charities, had 2000 people running and supporting on the day, hosted by drag band Denim, music by the Horse Meat disco and The Eagle. The event included a display of HIV posters from around the world from the Welcome collection, the AIDS memorial Quilt and space

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

for people to remember those they had lost to HIV. The event raised over £125,000 for the charities involved.

Reserves Policy

The board and management of the charity, in line with guidance from the Charities Commission, aim to hold adequate reserves to cover the ongoing costs of the operations of the charity. This is essential in today's environment to reflect the continued challenging times facing the economy from the ongoing Brexit uncertainty.

The current level of free reserves (defined as being unrestricted reserves less fixed assets) is £354,544 (2018 £380,603) after posting a consolidated deficit in the recently completed financial year ended 31 March 2019 of £31,890.

With planned budgeted operational spend of £1.5 million in 2019/20 or around £125,000 per month this means the charity has currently under three months of free reserves. This is significantly below what the charity has set for its reserves and the Trustees have renewed their commitment to achieve an increase in reserves to a position in which the Charity feels more comfortable. A target to increase, consistently over the foreseeable future, by running surpluses was agreed by the trustees. The aim being some £25-35,000 per annum, funding dependent. This was not possible in the year completed but the Trustees are determined to return to delivering surpluses into the future to add to the reserves.

Risk Management

Management, at the direction of the board, continue to review the risk profile of the charity as part of its governance responsibilities.

The Assessment was undertaken firstly by identifying the internal and external threats or potential threats. Then reviewing what mitigating actions have been put in place to manage or minimise these threats and finally the ongoing management of the risks through the governance and long-term strategy of the organisation.

Internal threats. The obvious threats from fire or theft continue to be monitored and are all fully insured. The reliance on a single location (Stepney Centre) for the operations means that the business interruption aspect of the insurance coverage is vital to ensure that we could afford to relocate and set up in some temporary premises whilst the office is repaired. As part of the annual insurance review in early 2019 we checked that the business interruption aspects of the insurance policy to ensure it remains sufficient to meet the needs of the charity. Indeed, the cover remains adequate and covers the additional spend from any temporary relocation required.

Finally, the Health and Safety Group continues to monitor and manage all physical risks to the organization. The Group continues to work through the physical risks to the charity and, reporting their findings through the People and Services Committee to the board to keep ahead of the problem.

The external threats. As a consequence of the recent (2016) down-sizing of the charity reflecting the loss of income of nearly £400,000 from the Statutory sector and the ongoing hit to the economy from the protracted Brexit uncertainty the charity has added a new more comprehensive risk management process – the Operational Business Continuity process. This involves defining and monitoring specific risks with predefined responses and detailed steps to avoid financial insolvency. This is in addition to the Business Continuity Plan. Finally, the charity is pursuing the increased use of the people living with HIV

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

to deliver services which will mean an enhanced service user capability as well as a more sustainable cost base.

Financial Results**Income and Expenditure.**

Current year. The results are set out on page 16. They show that the income was basically static at just over £1.3 million. The figure for the year being £1,307,511 down from £1,313,915 in 2017/18 and with expenditure up from £1,281,928 to £1,339,401 we ran a deficit of £31,890 (a surplus in 2018 of £31,986).

The thinking in relation to the sustainability of the Charity can be summarised as maintaining a core of statutory funding, continuing to increase voluntary income and an expansion in the use of volunteers in the delivery of the services whilst containing the cost base.

Fixed Assets.

Details of the movement in fixed assets are in note 12 to the financial statements. The year saw the net book assets of the charity continue their reduction year on year as a result of minimal purchases and ongoing depreciation. The net book value went down from £74,000 to £68,000 with some £10,000 of additions and £17,000 of depreciation.

Investment powers

The charity's investment powers are governed by clause 3 (r) of the Memorandum of Association which permits the investment of monies not immediately required for its purposes as may be thought fit. Surplus money is placed in both a high interest bearing account as well as liquid CCLA investment products.

The year saw interest income of £5,482 (2018 £6,195) reflecting the ongoing use of CCLA Investment Management Ltd (CCLA) where the charity holds all its operational cash surplus at higher rates than main street banks.

We continue to hold some of the cash surplus in a CCLA investment product. We had invested £125,000 and at year end this showed a surplus on revaluation of £7,575 (2018 £4,878). We have subsequently increased the proportion of our surplus cash to the CCLA investments over the deposit account.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2019 (Cont.)**

A. Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Positive East for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

B. Auditors

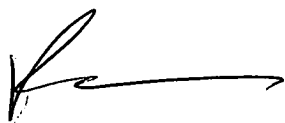
M J Bushell Ltd has indicated that they are willing to be reappointed as auditors for the next year.

C. Disclosure of information to auditors

Each of the Trustees (directors) has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of trustees on 18th September 2019 and signed on its behalf by



Pete McDonnell
Chair



Ravi Ravindran
Treasurer and Vice Chair

**INDEPENDENT AUDITORS' REPORT
to the members of Positive East**

Opinion

We have audited the financial statements of Positive East for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Standards 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 charitable company's affairs as at 31 March 2019 and of its 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 of 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the charity have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The charity are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If

**INDEPENDENT AUDITORS' REPORT
to the members of Positive East**

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

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the 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 statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

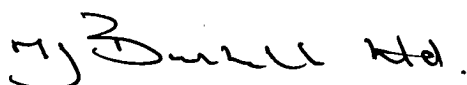
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

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.

**INDEPENDENT AUDITORS' REPORT
to the members of Positive East**

Use of this report.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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.



Ian Warwick ACA FCCA (Senior Statutory Auditor)
for and on behalf of M J Bushell Ltd

9-10-2019

**Chartered Accountants
Statutory Auditor**

8 High Street
Brentwood
Essex
CM14 4AB

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure accounts)
for the year ended 31st March 2019

	Notes	2018-2019			2017-2018		
		Unrestricted funds	Restricted funds	Year ended 31 st March 2019	Unrestricted funds	Restricted funds	Year ended 31 st March 2018
INCOME AND ENDOWMENTS FROM:		£	£	£	£	£	£
Donations and legacies							
1. Grants received from core activities	3	-	65,000	65,000	-	95,000	95,000
2. Donations and legacies	4	9,226	-	9,226	17,233	-	17,233
Charitable activities							
1. Performance related grants	5	-	1,055,911	1,055,911	-	1,032,695	1,032,695
Earned from other activities							
1. Other trading activities	6	155,970	-	155,970	125,593	-	125,593
2. Commercial trading operations		8,347	-	8,347	2,321	30,000	32,321
Investment and Other income							
1. Investment income	7	13,057	-	13,057	11,073	-	11,073
Total Income and Endowments		186,600	1,120,911	1,307,511	156,220	1,157,695	1,313,915
EXPENDITURE:							
Cost of raising funds							
1. Fundraising costs	8a	201,243	-	201,243	154,528	-	154,528
2. Trading costs		17,363	-	17,363	-	68,825	68,825
Expenditure on Charitable activities							
1. HIV Testing and Prevention services	8a	-	455,465	455,465	-	318,310	318,310
2. Advice	8a	-	278,024	278,023	-	340,126	340,125
3. Peer Supports and Counselling services	8a	-	387,307	387,307	-	400,140	400,140
4. Governance costs	8a	-	-	-	-	-	-
Total Expenditure		218,606	1,120,795	1,339,401	154,528	1,127,401	1,281,928
Net income/(expenditure)		(32,006)	116	(31,890)	1,692	30,294	31,987
Transfers between funds		116	(116)	-	30,294	(30,294)	-
Net movement in funds		(31,890)	-	(31,890)	31,986	-	31,986
Reconciliation funds:							
Total fund brought forward		454,419	-	454,419	422,432	-	422,432
Total Fund carried forward		422,529	-	422,529	454,419	-	454,419

CONSOLIDATED AND PARENT CHARITABLE COMPANY BALANCE SHEETS
as at 31st March 2019

	Notes	Group		Charity	
		2019	2018	2019	2018
		£	£	£	£
Non Current Assets					
Tangible Assets	12	67,985	73,816	67,985	73,816
Investment	13	145,075	140,000	145,075	140,000
Total fixed assets		213,060	213,816	213,060	213,816
Current assets					
Debtors	14	122,473	179,211	118,631	178,220
Cash at bank and in hand		249,548	369,957	249,025	368,806
		372,021	549,168	367,656	547,025
Creditors: amount falling due within one year	15	162,552	308,564	162,430	308,420
Net current assets		209,469	240,604	205,226	238,605
Net assets		422,529	454,419	418,286	452,421
Funds					
Restricted funds	16a	-	-	-	-
Unrestricted funds:					
- General Funds	16b	422,529	454,419	418,286	452,421
- Designated					
	17	422,529	454,419	418,286	452,421

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees and authorised for issue on the 18th September 2019 and are signed on its behalf by:



Pete McDonnell
Chair



Ravi Ravindran
Treasurer and Vice Chair

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31st March 2019

	Notes	2019		2018	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		(122,554)		(41,097)
Cash flows from investing activities					
Interest received		13,057		11,073	
Purchase of tangible fixed assets		(10,913)		(12,500)	
Purchase/ Sale of investments					
Net cash generated from/(used in) investing activities			2,144		(1,427)
Net increase/(decrease) in cash and cash equivalents			(120,409)		(42,524)
Cash and cash equivalents at beginning of year			369,957		412,481
Cash and cash equivalents at end of year			249,548		369,957

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2019**

1 Accounting Policies**Company information**

Positive East is a private company limited by guarantee incorporated in England and Wales. The registered office is 159 Mile End Road, London, E1 4AQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 as applicable to companies subject to the small companies regime and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

These financial statements for the year ended 31 March 2016 are the first financial statements of Positive East prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS102.

1.2 Basis for consolidation

The Group accounts consolidate the accounts of Positive East and its wholly owned non-charitable subsidiary trading company Purple People Enterprises Limited, on a line by line basis. The Company has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Company's activities. No separate income and expenditure account or statement of financial activities has been presented for the Company alone as permitted by Section 408 of the Companies Act 2006.

1.3 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.5 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Where the income relates to charitable trading activities, it is shown net of VAT.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other 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.

All income arises in the United Kingdom.

Income shown on the face of the Statement of Financial Activity (SOFA) is split between unrestricted, restricted and project income and the differentiation is based on the following definitions:

- Project income funds are those for which the funding was made available for specific identifiable outputs which are discrete and separately identifiable from the core activity of advice and support that the charity was established to deliver;
- Restricted funds are those funds subject to specific conditions, usually relating to the provision of a salary for a position within the charity;
- Other income funds are those which are generated by specific and deliberate actions of the employees and others in furtherance of the charity's aims, for example, the renting of spare room space;
- Unrestricted income, relates to funds provided for which no specified output or resource requirement is made, given to the charity merely in furtherance of its objectives.

1.6 Resources expended

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. All expenditure is accounted for on an accruals basis and includes attributable value added tax which cannot be recovered. Costs are allocated to the different activities as follows:

All direct staff costs are allocated in full to their respective areas as are non-staff directly attributable spend. Infrastructure overhead costs are assigned to the various service areas on the basis of the percentage of area staff costs to total staff costs. This is believed to be a reasonable approximation.

- **Costs of Generating funds** involves the spend associated with fundraising in the broadest sense. Therefore, it addresses the direct cost of staff employed in the fundraising function and associated other spend on volunteers and promotional materials of a charity wide nature. It also includes the costs of senior management involved in fundraising.
- **Prevention Services** involve a variety of testing and awareness promotion activities but some 70% represents the cost of the workers involved in providing the service. The remainder of the direct spend is advertising and volunteer costs.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

- **Treatment and Care Services.** This heading incorporates the work done by the advice function as well as the African and gay men services which are combined in the Community Support Group. The expenditure in this area is again overwhelmingly the employment costs of the workers involved in providing the services. In addition, the African Services also includes the cost of running a substantial number of support groups and includes food as well as crèche and other related costs. Additionally, the Gay Man Services includes the cost of service awareness and promotion. Finally, the counselling services provided by both staff and an increasing number of volunteers is included here.
- **Social Care** combines Volunteer and costs associated with our employability programme which again include staff costs as well as training and career management costs with their attendant travel and subsistence. It also covers the Healthy Living costs includes some employment but also the cost associated with maintenance of the gym, complementary therapies and running the subsidised café.
- **Governance costs** are included in the accounts based on a narrow definition of governance costs being principally related to staff and other costs to provide information to the Board of Trustees in furtherance of their role in strategic management of the charity. Additionally, it covers the costs associated with the preparation of management financial information and the statutory accounts and the necessary associated filing of returns with Companies House and the Charities Commission.

1.7 Tangible fixed assets

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation and impairment is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, which is reviewed annually. The rates used are as follows:

- | | | |
|--------------------------|---|-------------------|
| • Fixtures and fittings | - | 25% straight line |
| • Equipment | - | 25% straight line |
| • Computer equipment | - | 33% straight line |
| • Leasehold improvements | - | 5% straight line |
| • Gym equipment | - | 10% straight line |

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019**

Derecognition of financial assets in the year

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Financial liabilities classified as other financial liabilities are stated at fair value with any gains or losses arising on re-measurement recognised in profit or loss.

De-recognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

3. Grants receivable for core activities

MacAIDS

Unrestricted funds	Restricted funds	Total 2019	Unrestricted funds	Restricted funds	Total 2018
£	£	£	£	£	£
-	65,000	65,000	-	95,000	95,000
-	65,000	65,000	-	95,000	95,000

4. Donations and legacies

Donations

Unrestricted funds	Restricted funds	Total 2019	Unrestricted funds	Restricted funds	Total 2018
£	£	£	£	£	£
9,226	-	9,226	17,233	-	17,233
9,226	-	9,226	17,233	-	17,233

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

	Unrestricted funds	Restricted funds	Total 2019	Unrestricted funds	Restricted funds	Total 2018
	£	£	£	£	£	£
5. Performance related grants						
London borough of Hackney - HIV Supports		90,220	90,220		158,220	158,220
London Borough of Havering - HIV support		13,250	13,250		13,257	13,257
London Borough of Barking and Dagenham		49,971	49,971		49,930	49,930
London Borough of Tower Hamlets - HIV Prevention and Testing		249,614	249,614		222,996	222,996
London Borough Tower Hamlets - HIV Supports		11,000	11,000		39,549	39,549
London Borough of Newham		90,400	90,400		90,400	90,400
Pan London Gay Men Interaction (GMI)		75,833	75,833		81,514	81,514
London Borough of Redbridge - HIV supports		117,000	117,000		78,000	78,000
London Borough of Waltham Forest - HIV Support		63,549	63,549		63,549	63,549
HPE - African		6,675	6,675		11,202	11,202
HPE - Gay		16,939	16,939		12,768	12,768
Henry Smith		32,000	32,000		17,100	17,100
ViiV Healthcare		-	-		28,920	28,920
Award for all - OASIS		12,000	12,000		10,000	10,000
Big Lottery - Reaching Community		-	-		77,996	77,996
Comic Relief		29,268	29,268		9,480	9,480
Hormerton		8,000	8,000		4,500	4,500
Pilgrim		23,333	23,333		23,333	23,333
Gilead Testing		9,976	9,976		15,324	15,324
CBT - Remind		5,000	5,000		30,000	30,000
CBT - GMI		88,000	88,000		-	-
City Bridge Trust		36,200	36,200		-	-
PHE		27,683	27,683		15,768	15,768
Big Lottery - Big Potential		-	-		8,890	8,890
	-	1,055,911	1,055,911	-	1,062,695	1,062,695

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

6. Other trading activities

	Unrestricted funds	Restricted funds	Total 2019	Unrestricted funds	Restricted funds	Total 2018
	£	£	£	£	£	£
Fundraising events	120,183		120,183	98,613	-	98,613
MAST - income from letting arrangements for property	25,333		25,333	14,500	-	14,500
Other income	10,453		10,453	12,480	-	12,480
	155,970	-	155,970	125,593	-	125,593

7. Investment income

	Unrestricted funds	Restricted funds	Total 2019	Unrestricted funds	Restricted funds	Total 2018
	£	£	£	£	£	£
Interest	5,482		5,482	6,195	-	6,195
Revaluation of CCLA investment at fair value at 31.03.18	7,575		7,575	4,878		4,878
	13,057	-	13,057	11,073	-	11,073

8a. Total resources expended

	Fundraising	HIV, Testing and Prevention services	Advice	Peer, supports, and Counselling	Trading	Total 2019	Total 2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff Costs (Note 10)	128	320	224	306	-	979	936
Direct costs (Non Staff)	43	67	12	23	15	160	98
Overhead	13	29	18	25	1	85	88
Infrastructure	17	39	24	33	1	115	160
Total Resources Expended	201	455	278	387	17	1,339	1,282

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

- Staff costs
- Depreciation - owned assets
- Professional Indemnity
- Auditors' remuneration for the audit of the company's accounts
- Auditors' remuneration for all other non-audit services

2019 £	2018 £
978,519	936,177
16,779	13,159
5,367	9,541
7,445	11,335
-	-
1,008,110	970,212

10. Staff Costs

Total employment costs were:

Wage and salaries	818,878	787,506
Social security costs	81,479	76,411
Pension costs	78,161	72,261

FTE

Fundraising	3	2
Prevention	4	4
Treatment and Care	4	4
Social care	6	6
Administration of the charity	6	6
	23	22

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019
11. Board of Trustees expenses

During the year no trustees claimed travel expenses. No trustees nor any persons connected with them have received remuneration or Benefits in Kind (2018: none).

12. Tangible fixed assets
Historical costs
At 1st April 2018

Transfers

• Additions

• Disposals

At 31st March 2019
Depreciation
At 1st April 2018

• Reclassification Transfers

• Charge for the year

• Disposals

At 31st March 2019
Net book value
At 31st March 2018
At 31st March 2019

	Leasehold Improvements £	Other Leasehold £	Less. Government Grant £	Furniture and Fittings £	Office Equipment £	Computer Equipment £	Gym Equipment £	Total 2019 £	Total 2018 £
Historical costs									
At 1st April 2018	596,722	151,338	(280,000)	37,235	29,767	128,166	6,516	669,743	657,243
Transfers									-
• Additions	-	-	-	-	-	10,913	-	10,913	12,500
• Disposals									-
At 31st March 2019	596,722	151,338	(280,000)	37,235	29,767	139,079	6,516	680,656	669,743
Depreciation									
At 1st April 2018	596,722	96,919	(280,000)	36,785	17,716	125,451	2,335	595,926	582,767
• Reclassification Transfers	-	-	-	-	-	-	-	-	-
• Charge for the year	-	8,027	-	344	3,536	4,186	652	16,745	13,159
• Disposals									
At 31st March 2019	596,722	104,946	(280,000)	37,129	21,252	129,637	2,987	612,671	595,925
Net book value									
At 31st March 2018	-	54,419	-	450	12,051	2,715	4,181	-	73,816
At 31st March 2019	-	46,392	-	106	8,515	9,442	3,529	67,985	-

13. Fixed asset investments
Subsidiaries

Positive East has a wholly owned trading subsidiary undertaking, Purple People Enterprises Limited, a company incorporated and registered in England and Wales (Registration No. 06956340). The principal activities are catering services and well-being courses. All its profits are paid to the charity by gift aid.

A summary of the results is shown below:

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

13. Fixed asset investments (cont)

Profit and Loss Account

Turnover
 Expenditure

Deficit

Balance sheet

Current asset
 - Cash in hand
 - Debtors and prepayment
 - Other Debtors - VAT receivable from HMRC

Creditor
 - amount falling due within one year
 - other creditors - accrual

Total asset less current liability

Called up share capital

Retained earnings

Charity fund

2019	2018
£	£
8,347	2,321
(6,102)	(2,666)
2,245	(345)
523	1,152
2,245	2,590
-	596
(270)	(2,340)
(500)	(500)
1,998	1,498
125,000	125,000
(123,002)	(123,502)
1,998	1,498

Historically, we successfully applied for and obtained funding from both Big Lottery and City Bridge Trust in 2016 and 2017. This has enabled us to breath fresh life into the mindfulness programme and it is currently being delivered at a large financial services company called Standard & Poor.

Going forward it is intended to move the mindfulness and café activities back within the charity itself and leave the trading company, PPEnterprises, dormant. This makes for a simpler accounting and legal arrangement and will save monies whilst leaving the option open if we scale up to reopen the trading arm.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

13. Fixed asset investments (cont)

Listed investments
Unlisted investments

Group		Charity	
2019)	2018)	2019)	2018)
£	£	£	£
137,575	130,000	137,575	130,000
7,500	10,000	7,500	10,000
<u>145,075</u>	<u>140,000</u>	<u>145,075</u>	<u>140,000</u>

Listed investments included above

Listed investments carrying amount

Group		Charity	
2019)	2018)	2019)	2018)
£	£	£	£
137,575	130,000	137,575	130,000
<u>137,575</u>	<u>130,000</u>	<u>137,575</u>	<u>130,000</u>

14. Debtors

Grants Receivable:

Others
Pan London - GMI project
REAL
Gilead
London Borough of Redbridge
Terrence Higgins Trust
London Borough of Havering
London Borough of Tower Hamlets
London Borough of Waltham Forest
Chilli Pig
Interbanks
Homerton

Group		Charity	
2019)	2018)	2019)	2018)
£	£	£	£
6,294	180	2,451	180
	-	-	-
10,952	10,972	10,952	10,972
5,520		5,520	
15,676	-	15,676	-
	-	-	-
6,629		6,629	
	70,500	-	70,500
17,712	-	17,712	
10,051	10,144	10,051	10,144
8,504	6,517	8,504	6,517
8,000	-	8,000	-
<u>89,338</u>	<u>98,313</u>	<u>85,495</u>	<u>98,313</u>
4,426	9,848	4,426	8,857
4,376	8,933	4,376	8,933
24,333	62,116	24,333	62,116
-	-	-	-
<u>122,473</u>	<u>179,211</u>	<u>118,631</u>	<u>178,220</u>

Other Debtors

Prepayments

Accrued income (WIP income)

VAT receivable from HMRC

Total

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

15. Creditors: amounts falling due within one year:

Trade Creditors
Other Creditors
Taxation and social security
Accruals
Deferred income
Provision for downsizing
Amount due from group undertakings
VAT payable to HMRC

Group		Charity	
2019)	2018)	2019)	2018)
£	£	£	£
30,796	51,943	30,796	51,943
8,252	5,366	8,252	5,221
23,531	21,676	23,531	21,676
13,695	28,707	13,695	28,707
78,252	187,235	78,252	187,235
-	-	-	-
-	-	-	-
8,027	13,637	7,905	13,637
162,552	308,564	162,430	308,419

Deferred Income: On a few projects where there are some specific deliverable or outputs and these have not been met by the end of the financial period (31st March 2019) then a value representing the portion remaining unmet is deferred until the future.

At 31st March 2019, a total of £78,252 (2018 the equivalent was £187,235) was rolled over to the future. Included in this year's total is an amount of £70,000 from MAC AIDS.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

16. Funds**16a. Restricted Reserves**

London borough of Hackney - HIV Supports	90,220.20	90,220	
London Borough of Havering - HIV support	13,250.00	13,250	-
London Borough of Barking and Dagenham	49,971.00	49,971	-
London Borough of Tower Hamlets - HIV Prevention and Testing	249,613.75	249,614	-
London Borough Tower Hamlets - HIV Supports	11,000.00	11,000	-
London Borough of Newham	90,400.00	90,400	-
Pan London Gay Men Interaction (GMI)	75,833.00	75,833	-
London Borough of Redbridge - HIV supports	117,000.00	117,000	-
London Borough of Waltham Forest - HIV Support	63,549.00	63,549	-
HPE - African	6,675.00	6,675	-
HPE - Gay	16,939.00	16,939	-
Henry Smith	32,000.00	32,000	-
Award for all - OASIS	12,000.00	12,000	-
Comic Relief	29,268.00	29,268	-
Hormerton	8,000.00	8,000	-
Pilgrim	23,333.00	23,333	-
Gilead Testing	9,976.38	9,976	-
CBT - Remind	5,000.00	5,000	-
CBT - GMI	88,000.00	88,000	-
City Bridge Trust	36,200.00	36,200	-
PHE	27,683.00	27,683	-
MacAIDS	65,000.00	65,000	-

Brought Forward	Income	Expenditure	Carried Forward
£	£	£	£
	90,220.20	90,220	
	13,250.00	13,250	-
	49,971.00	49,971	-
	249,613.75	249,614	-
	11,000.00	11,000	-
	90,400.00	90,400	-
	75,833.00	75,833	-
	117,000.00	117,000	-
	63,549.00	63,549	-
	6,675.00	6,675	-
	16,939.00	16,939	-
	32,000.00	32,000	-
	12,000.00	12,000	-
	29,268.00	29,268	-
	8,000.00	8,000	-
	23,333.00	23,333	-
	9,976.38	9,976	-
	5,000.00	5,000	-
	88,000.00	88,000	-
	36,200.00	36,200	-
	27,683.00	27,683	-
	65,000.00	65,000	-
	1,120,911	1,120,911	-

16b. Unrestricted Reserves:

General Fund

Total

Brought forward	Income	Expenditure	Carried Forward
£	£	£	£
454,419	186,716	(218,607)	422,529
454,419	186,716	(218,607)	422,529

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

**17. Analysis of net assets
between funds**

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Tangible fixed assets	67,985	-	67,985	73,816
Investment	145,075	-	145,075	140,000
Cash at bank and in hand	249,548	-	249,548	369,957
Other current assets	122,473	-	122,473	179,211
Current liabilities	(162,552)	-	(162,552)	(308,564)
Transfer between funds	-	-	-	-
	422,529	-	422,529	454,419

18. Retirement benefit schemes

Defined contribution schemes

The charity pays a non-contributory 6% of the staff's salary into nominated stakeholder pensions on their behalf. The total cost to the charity during the financial year was £78,161 (2018 £72,261) which increased by £5,900 due to a higher number of staff in the year.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2019

19. Related party transactions

Remuneration of key management personnel

Key management personnel have been identified as the Chief Executive Officer and the Chief Finance Officer. There were no employees earning more than £60k during the year.

The remuneration of key management personnel is as follows:

Aggregate compensation

2019 £	2018 £

Transactions and balances with related parties

At the year end the charity was owed £nil (2018: £nil) by its subsidiary company.

No guarantees have been given or received.

20. Cash generated from operations

Surplus/(deficit) for the year

Adjustments for:

Investment income recognised in profit or loss

Movement in Investments

Depreciation and impairment of tangible fixed assets

Movements in working capital:

Increase in debtors

Decrease in creditors

Cash generated from/(absorbed by) operations

2019 £	2018 £
(31,890)	31,986
(13,057)	(11,073)
(7,575)	15,108
16,745	13,159
59,235	(76,674)
(146,012)	(13,603)
<u>(122,554)</u>	<u>(41,097)</u>