

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 2020

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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 of People & Services Committee)
Nena Foster* (resigned 4 November 2019)
Sarah Malcolm*
Mike Burnham *
Tony Parker +
Selin Yurdakul +
Michelle Weston * (appointed 4 May 2020)

And People

* 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 Nabarro Olswang LLP Cannon Place, 78 Cannon Street London EC4N 6AF
Solicitors	Russell Cooke 2 Putney Hill London SW15 6AB
Auditors	M J Bushell Ltd 8 High Street Brentwood Essex CM14 4AB
Company registration number	02546750
Registered charity number	1001582

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020**

The Board of Trustees are pleased to present their annual report and the financial statements of the charity for the year ended 31 March 2020, 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 2020 (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 which were 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 2020, 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
Sarah Malcolm
Mike Burnham
Tony Parker
Selin Yurdakul

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 2020. 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 2020 (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

The Year under review

The events of the last month of this financial year have dominated and risk eclipsing all of the achievements of this period. However, this once in a century event cannot go without acknowledgement

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020 (Cont.)**

of the impact on the lives of the individuals and communities we support and the also the life of the Charity. This is not least because the novel Coronavirus that we only started to learn about in December 2019 will leave a lasting mark on the Charity as it will on our Society and Country.

This time has been a personal, national and global tragedy. We have lost members of our families, loved ones, clients of the charity and members of our wider communities. All lost before their time. All people with stories, families and friends who loved them. All so much more than simply statistics reported in a daily Government press conference.

This tragedy has also surfaced to the wider public the inequalities that we at Positive East and the communities they impacted knew always existed. One of our key tasks is to contribute to ensuring that this national tragedy is an opportunity that these inequalities are fully addressed.

We are very proud of how our staff and volunteers responded with such agility, flexibility and creativity whilst navigating their own personal challenges that Coronavirus and Lockdown presented.

This passion, commitment to the individuals and communities we serve meant that there was no service interruption in our HIV Support Services Offer. We moved all of our services reception, advice, peer support, support groups/workshops, counselling, and psychology services all via telephone, video calls and video conferencing. We effectively created a new website helping our clients to navigate confusing information about COVID19 & HIV, information about our other services and signposting people to useful information. We also increased the frequency of our newsletter to weekly, created a workshop/support group offer under the banner 'Staying Home Together', and ran twice weekly mindfulness meditation sessions. Whilst our community-based HIV testing had to stop during 'Lockdown' we continued to provide information and advice about sexual health and HIV over the telephone and via our Live Chat facility on our website 'Love Chat'. We promoted online access to self-testing kits, condoms, and lube. We reached out to our partners in migrant centers and hostels providing information and advice about sexual health, HIV information and services.

The Charity took the decision several years ago to diversify our income base and avoid being reliant on statutory funding. We have successfully built up our voluntary income protecting our ability to deliver on our mission and vision. However, this now has a higher degree of risk because lockdown will mean that community fundraising activities that fund some of our services are not possible.

We have learnt much in this short period of time and some of which we will take forward as we recover and reimagine our services within the context of Coronavirus. We expect that that this situation will influence the shape of our service provision over the next 12 to 18 months if not permanently. However, what we are clear about is that the only success in overcoming the challenge that HIV presents us is an inclusive success. We will dedicate ourselves to ensure that nobody is left behind.

The Coronavirus has meant that we have needed to pause our current strategy and we are now focused, still very much through the frame of our vision and mission, on the following strategic objectives:

1) Safe Service Delivery

Safety first will be our 'watch words' as we recover and reimagine our services. Our service delivery approach will ensure the safety of our staff, volunteers and clients as far as is practically possible. We will be offering services by telephone, video call by default and will move over time to offering face to face services as an exception and via an appointment-based service. We will be working towards overcoming some of the challenges that delivering services remotely presents our clients and are looking for opportunities for addressing digital exclusion issues such as access to devices and data. We are working to see how in practical terms we can make the office safe and how our staff can work safely in outreach environments. We will do this using Government guidance as well as that from local public health teams.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020 (Cont.)**

2) *Recovery & Reimagining Services*

Over the coming year we will be focusing on how we continually improve, develop and strengthen our service offer as we recover and reimagine our services. We will be working with our clients involving them in helping us to shape the offer so that it continues to effectively meet need.

3) *Transition to Digital*

We are very conscious that online service delivery excludes some of our clients and will work over the year to address this as much as we can.

The Charity effectively undertook a digital transformation in less than a week. We need sustain this transformation and will be seeking resources to ensure that our staff have the kit they need for remote working. We will be also building the capability of our staff to be able to work with and make the most of the digital approach.

4) *Sustaining our future*

We will be working hard to mitigate the risk to our voluntary income and the inevitable squeeze on statutory income over the next financial year as a result of Coronavirus outbreak.

Highlights from 2020/21

This past year has not been without achievement and service development and improvement. The following are some highlights.

HIV Support Services

We know through our service delivery and wider evidence that the job of the Charity in achieving our vision and mission is not done yet. It is clear that despite the continuing success story of HIV that there still significant numbers of people struggling to live well with HIV. Our clients experience challenges of poverty, poor housing, unsettled immigration, poor mental and physical health all exacerbated by continuing scourge of HIV related stigma. Our advice, peer support, health & wellbeing, counselling and psychology services are still needed by our clients to enable them to meet these challenges and this year was no different:

We raised over £1.2 million on an annualised basis for our clients through ensuring that they gained access to the social security benefits that they were entitled too. We also helped our clients obtain £78,000 in hardship payments from various funds from e.g. Terrence Higgins Trust, Glasspool and Vicars Relief Fund. This work makes a difference for people like Jacob whose story we have detailed below:

Jacob came to us as he did not have enough money to buy food. He told us he had not eaten for a couple of days. He was depressed and told us that he had stopped taking his HIV medication as he did not know what the point was any worse. We gave him lunch at our cafe in Stepney, and gave him an emergency hardship fund payment, and a food parcel whilst making some applications to a number of different hardship funds.

We discovered that he was in quite serious debt and that this had been passed to a recovery agency. Jacob was spending all of his benefits on servicing his debts. It also became apparent following a benefits check that he was not receiving all of the benefits that he was entitled too.

The advice team applied for the benefits that he was missing increasing his income. They also negotiated with the debt recovery agency who agreed to write off half the debt and reduce the monthly payments to £1 a month.

Jacob's financial position improved dramatically, and we supported him to discuss the fact he had stopped taking his medication with his clinic. Jacob told us that the support we had provided him had 'made it possible for him to live again

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020 (Cont.)**

Our Peer support service supported 248 people with one to one practical and emotional support enabling people to navigate the challenges that life with HIV brings enabling people to overcome particularly difficulties or issues that they were facing. This would include social isolation and loneliness, treatments, dealing with sharing HIV status, sex and relationships.

The Counselling team which includes 12 volunteers and a staff member provided 1,426 hours of counselling to 156 people. This service is key twice as many people living with HIV report symptoms of HIV than in the general population and 37% people living with HIV are diagnosed with a mental health condition in their lifetime.

ReAssure our specialist psychology service for migrant HIV positive women who experienced trauma worked with 82 women delivering 378 hours of one to one clinical support. Many of the women are forced migrants escaping desperate situations in their countries of origin and a significant number are in situations of domestic abuse.

HIV Prevention Services

We are not yet done when it comes to addressing the issue of late and undiagnosed HIV infection within East London. We know that a person diagnosed late has worse health outcomes and not knowing your HIV status is an individual as well as a public health challenge. We also know that that this disproportionately impacts on people from minority ethnic communities

Our prevention and testing team engages and works with communities that often do not connect with statutory services including registering with a GP. We have built up relationships trust with communities going out and doing HIV and STI testing in places the communities frequent from faith settings, libraries, community venues, migrant centers, homeless hostels and community festivals. We undertook 2,100 tests over the year and had an HIV positive reactive rate that exceeded that seen in community settings.

This year the team worked with HIV voices a theatre group. Together we created a series of spoken word pieces developed from 8 workshops with people living with HIV with experienced of mixed HIV status relationships. The pieces explored the issues of HIV stigma, Undetectable=Untransmittable, and PrEP. They were performed by actors in community festivals over the summer and created into short films that were shown at the festivals and various events. The films and performances were used as an engagement tool and were very effective in being able to start a conversation and explore the key themes with people.

Our faith work continued to be successful and we continued to build on the work of our faith forum. We held our 2nd faith seminar and again had engagement with 52 faith leaders. The faith leaders led the event speaking, performing drama and engaging with our clients about some key issues for people living with HIV that present challenges

We started a new regular LGBT film night Technicolour. These events were delivered monthly at Redbridge Central Library are free and open to everyone. We have special guests at each session with a discussion about the LGBT experience.

Sustaining our Services

We had a successful year in terms of our voluntary income activities. We are the proud hosts of the UK's largest World AIDS Day event - the Red Run - which brings together the community to create a groundswell of support for the HIV sector. More than 2,000 people attended the last year, which was opened by Sir Ian McKellen, raising £125,000 for the 40 Charities taking part. Following on from the success of the Red Run we have focused on growing our own events, 2019 saw the launch of our first ever sky diving event with 6 of our supporters taking on the jump as well the return of KRUSH event - bringing together local businesses to rally support for our work and encourage their customers to donate to the Charity.

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for the year ended 31 March 2020 (Cont.)**

Positive Feast is our own spin on the traditional gala dinner fundraiser. Set within an exciting and immersive space Positive Feast explored and revealed Positive East through the use of light, colour, music, film, spoken word and art. Following the 3-course meal and Prosecco reception and exciting live auction and raffle raised an incredible £50,000.

Volunteering

Volunteering remains a key to the Charity being able to deliver our vision and mission. Volunteers granted almost 12,000 hours of time to the Charity in the year and were involved in every aspect of our work. We are very grateful to these dedicated and inspiring individuals who make much of our work possible.

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 new risk of the coronavirus pandemic and its associated lockdown.

The current level of free reserves (defined as being unrestricted reserves less physical fixed assets) is £387,549 (2019 £354,544) after posting a consolidated surplus in the recently completed financial year ended 31 March 2020 of £26,953.

With planned budgeted operational spend of £1.5 million in 2020/21 or around £125,000 per month this means the charity has currently just over three months of free reserves. This is significantly below what the charity 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, and in 2019/20 we have been able to resume our ambition to increase the reserves in line with the policy.

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 2020 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.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020 (Cont.)**

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. The close of financial 2019/20 brought an unexpected external threat to the charity with the covid-19 pandemic in late March 2020 with a lockdown and now slow and necessarily cautious reopening in the absence of a vaccine. The 2020 pandemic whilst not expected has seen the charity move with great speed to offer a near full range of services provided digitally online and has been complemented by service users, funders and commissioners. This was predicated in part on a move to

provide more services online in the digital age which were mostly already in place with enhanced telephone and IT capability through our IT external suppliers.

The charity continues the Operational Business Continuity (OBC) process; which was developed in relation to the financial crisis of 2008/09 and subsequent Brexit negative impacts. The OBC 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 and the increased use of Volunteers 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 up year on year by over £200k at £1.526 million. Expenditure was also up over the preceding year at £1.499 million or an increase of £160k, thus turning around a deficit in the previous year of £31k to a surplus of £26k in the current period.

The sustainability of the Charity continues to depend upon 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 new purchases being less than the ongoing depreciation. The net book value went down from £68,000 to £62,000 with some £8,000 of additions and £14,500 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 / dividend income of £6,564 (2019 £5,482) 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.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020 (Cont.)**

We continue to hold some of the cash surplus in a CCLA investment product. By year end 2020 we were holding some £222,000 in investments to tap into the better rates (3.2% pa versus deposits on 0.4% pa) when the market correction hit as a result of the pandemic and the temporary closing of the world economy. This means at year end (31 March 2020) we have incurred and recorded an unrealised loss

of some £14,000 on these investments reflected in the accounts in line with recommended accounting practice.

The trustee had debated the risk of holding funds in investments in early 2020 and decided by a majority that with some £50,000 profit and interest accruing over the 8 years that we have been invested we would manage the risk and not abandon the programme in order to continue accessing the higher rates. As the report is written the unrealised loss has been reversed and the CCLA investments are back in £10,000.

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.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2020 (Cont.)**

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 29th June 2020 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 2020 which comprise the group statement of financial activities, the group balance sheet, the group 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 2020 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 (Cont.)**

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.

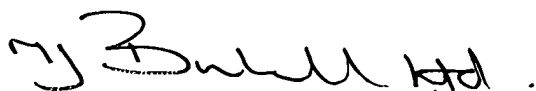
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee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

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

25.08.2020
.....

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 2020

	Notes	2019-2020			2018-2019		
		Unrestricted Funds	Restricted Funds	Year ended 31 March 2020	Unrestricted Funds	Restricted Funds	Year ended 31 March 2019
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies							
1. Grants received from core activities	3		70,000	70,000	-	65,000	65,000
2. Donations and legacies	4	86,756		86,756	9,226	-	9,226
Charitable activities							
1. Performance related grants	5		1,181,972	1,181,972	-	1,055,911	1,055,911
Earned from other activities							
1. Other trading activities	6	194,633		194,633	155,970	-	155,970
2. Commercial trading operations	12 & 5	-		-	8,347	-	8,347
Investment and Other income							
1. Investment income	7	(7,120)		(7,120)	13,057	-	13,057
Total Income and Endowments		274,270	1,251,972	1,526,242	186,600	1,120,911	1,307,511
EXPENDITURE:							
Cost of raising funds							
1. Fundraising costs	8a	229,282		229,282	201,243		201,243
2. Trading costs	8a	10,992		10,992	17,363	-	17,363
Expenditure on Charitable activities							
1. HIV Testing and Prevention services	8a		493,690	493,690		455,465	455,465
2. Advice	8a		258,584	258,584		278,024	278,024
3. Peer Supports and Counselling services	8a		506,741	506,741		387,307	387,307
Total Expenditure		240,275	1,259,015	1,499,290	218,606	1,120,795	1,339,401
Net income/(expenditure)		33,995	(7,043)	26,953	(32,006)	116	(31,890)
Transfers between funds		(7,043)	7,043		116	(116)	
Net movement in funds		26,953	-	26,953	(31,890)	-	(31,890)
Reconciliation funds:							
Total fund brought forward		422,529		422,529	454,419	-	454,419
Total Fund carried forward		449,482	-	449,482	422,528		422,529

CONSOLIDATED AND PARENT CHARITABLE COMPANY BALANCE SHEETS
as at 31st March 2020

	Notes	Group		Charity	
		2020	2019	2020	2019
		£	£	£	£
Non Current Assets					
Tangible Assets	12	61,933	67,985	61,933	67,985
Investment	13	208,891	145,075	208,891	145,075
Total fixed assets		270,824	213,060	270,824	213,060
Current Assets					
Debtors	14	104,625	122,473	104,625	118,631
Cash at bank and in hand		323,856	249,548	323,856	249,025
		428,481	372,021	428,481	367,656
Creditors: amount falling due within one year	15	249,824	162,552	249,824	162,430
Net current assets		178,657	209,469	178,657	205,226
Net assets		449,481	422,529	449,481	418,286
Funds					
Restricted funds	16a	-	-	-	-
Unrestricted funds:					
- General Funds	16b	449,481	422,529	449,481	418,286
- Designated					
	17	449,481	422,529	449,481	418,286

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 29 June 2020 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 2020

	Note	2020	2019
		£	£
Cash flows from operating activities	20		
Cash generated from/(absorbed by) operations		89,896	(122,554)
Cash flows from investing activities			
Interest received		(7,120)	13,057
Purchase of tangible fixed assets		(8,468)	(10,913)
Purchase/ Sale of investments			
Net cash generated from/(used in) investing activities		(15,588)	2,144
Net increase/(decrease) in cash and cash equivalents		74,308	(120,409)
Cash and cash equivalents at beginning of year		249,548	369,957
Cash and cash equivalents at end of year		323,856	249,548

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2020**

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.

**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020**

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020

- **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.
- **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 2020**

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 2020

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 2020

3. Grants receivable for core activities

	Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
	£	£	£	£	£	£
MacAIDS	-	70,000	70,000	-	65,000	65,000
	<u>-</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>65,000</u>	<u>65,000</u>

4. Donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
	£	£	£	£	£	£
Donations	86,756	-	86,756	9,226	-	9,226
	<u>86,756</u>	<u>-</u>	<u>86,756</u>	<u>9,226</u>	<u>-</u>	<u>9,226</u>

[illegible]

Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
£	£	£	£	£	£
167,368		167,368	120,183		120,183
14,500		14,500	25,333		25,333
12,765		12,765	10,453		10,453
194,633	-	194,633	155,970	-	155,970

Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
£	£	£	£	£	£
6,564		6,564	5,482		5,482
(13,684)		(13,684)	7,575		7,575
(7,120)	-	(7,120)	13,057	-	13,057

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020

8a. Total resources expended

	Fundraising	HIV Testing and Prevention services	Advice	Peer supports and Counselling	Trading	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff Costs (Note 10)	139	326	201	299	-	964	979
Direct costs (Non Staff)	56	85	7	133	11	292	160
Overhead	20	47	29	43	-	138	85
Infrastructure	15	36	22	33	-	105	115
Total Resources Expended	229	494	259	507	11	1,499	1,339

9. Net income/(expenditure)

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

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

2020 £	2019 £
964,099	978,519
14,520	16,779
4,791	5,367
6,855	7,445
-	-
990,264	1,008,110

10. Staff Costs**Total employment costs were:**

Wage and salaries
 Social security costs
 Pension costs

FTE

Fundraising
 Prevention
 Treatment and Care
 Social care
 Administration of the charity

2020 £	2019 £
813,685	818,878
77,434	81,479
72,980	78,161
964,099	978,519
2	3
4	4
4	4
5	6
6	6
21	23

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020
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.

12. Tangible fixed assets	Leasehold Improvements	Other Leasehold	Less Government Grant	Furniture and Fittings	Office Equipment	Computer Equipment	Gym Equipment	Total 2020	Total 2019
	£	£	£	£	£	£	£	£	£
Historical costs									
At 1st April 2018	596,722	151,338	(280,000)	37,235	29,767	139,079	6,516	680,656	669,743
• Reclassification Transfers	-	-	-	-	-	-	-	-	-
• Additions	-	-	-	-	-	8,468	-	8,468	10,913
• Disposals	-	-	-	-	-	-	-	-	-
At 31st March 2019	596,722	151,338	(280,000)	37,235	29,767	147,547	6,516	689,124	680,656
Depreciation									
At 1st April 2018	596,722	104,946	(280,000)	37,129	21,252	129,637	2,987	612,671	595,925
• Reclassification Transfers	-	-	-	-	-	-	-	-	-
• Charge for the year	-	7,474	-	106	3,265	3,022	653	14,520	16,745
• Disposals	-	-	-	-	-	-	-	-	-
At 31st March 2019	596,722	112,420	(280,000)	37,235	24,517	132,659	3,640	627,191	612,670
Net book value									
At 31st March 2018	-	54,419	-	450	12,050	2,715	4,181	-	67,985
At 31st March 2019	-	38,918	-	0	5,250	14,888	2,876	61,933	-

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 2020

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

2020 £	2019 £
-	8,347
-	(6,102)
-	2,245
-	523
-	2,245
-	-
-	
-	(123)
-	-
-	2,645
125,000	125,000
(125,000)	(123,002)
-	1,998

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.

Effective 1st April 2019 we have moved the mindfulness and café activities back within the charity itself and are leaving 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 2020

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

Other Debtors**Prepayments****Accrued income (WIP income)****VAT receivable from HMRC****Total**

Group		Charity	
2020	2019	2020	2019
£	£	£	£
710	6,294	710	6,294
23,544		23,544	
-	10,952	-	10,952
-	5,520	-	5,520
38,939	15,676	38,939	15,676
5,500		5,500	
6,245	6,629	6,245	6,629
17,712	17,712	17,712	17,712
-	10,051	-	10,051
1,000	8,504	1,000	8,504
8,000	8,000	8,000	8,000
101,650	89,338	101,650	89,338
1,370	4,426	1,370	584
1,605	4,376	1,605	4,376
-	24,333	-	24,333
-	-	-	-
104,625	122,473	104,625	118,631

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020

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	
2020	2019	2020	2019
£	£	£	£
30,450	30,796	30,450	30,796
1,809	8,252	1,809	8,252
22,110	23,531	22,110	23,531
28,610	13,695	28,610	13,695
164,495	78,252	164,495	78,252
-	-	-	-
-	-	-	-
2,350	8,027	2,350	7,905
249,824	162,552	249,824	162,430

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 2020) then a value representing the portion remaining unmet is deferred until the future.

At 31st March 2020, a total of £164,495 (2018 the equivalent was £78,252) was rolled over to the future.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020

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

Big Lottery - Reaching Community	
CBT - GMI	
CBT - Remind	
City Bridge Trust	
Comic Relief	
Gilead	
Henry Smith	
Hormerton	
HPE - African	
HPE - Gay	
London Borough of Barking and Dagenham	
London borough of Hackney - HIV Supports	
London Borough of Havering - HIV support	
London Borough of Newham	
London Borough of Redbringe - HIV supports	
London Borough of Tower Hamlets - HIV Prevention and Testing	
London Borough of Waltham Forest - HIV Support	
Lonnon Borough Tower Hamlets - HIV Supports	
Pan London Gay Men Interaction (GMI)	
PHE	
Pilgrim	
ViiV Healthcare	
MAD Theater	

Brought Forward	Income	Expenditure	Carried Forward
£	£	£	£
	99,867.00	99,867	-
	51,996.00	51,996	-
	4,200.00	4,200	-
	37,300.00	37,300	-
	10,438.84	10,439	-
	20,225.98	20,226	-
	34,992.00	34,992	-
	4,000.00	4,000	-
	13,255.00	13,255	-
	6,929.00	6,929	-
	49,985.32	49,985	-
	98,220.00	98,220	-
	24,978.68	24,979	-
	100,000.00	100,000	-
	156,481.92	156,482	-
	235,829.99	235,830	-
	70,849.00	70,849	-
	12,620.86	12,621	-
	74,239.82	74,240	-
	33,000.00	33,000	-
	9,722.92	9,723	-
	22,840.00	22,840	-
	10,000.00	10,000	-
	1,181,972	1,181,972	

16b. Unrestricted Reserves:

General Fund

Total

Brought forward	Income	Expenditure	Carried Forward
£	£	£	£
422,529	267,227	(240,275)	449,481
422,529	267,227	(240,275)	449,481

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020

17. Analysis of net assets between funds

Tangible fixed assets
Investment
Cash at bank and in hand
Other current assets
Current liabilities
Transfer between funds

Unrestricted funds	Restricted funds	Total 2020	Total 2019
£	£	£	£
61,933	-	61,933	67,985
208,891	-	208,891	145,075
323,856	-	323,856	249,548
104,625	-	104,625	122,473
(249,824)	-	(249,824)	(162,552)
(7,043)	7,043	0	0
442,438	7,043	449,481	422,529

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 £72,980 (2019 £78,161) which decreased by £5,181 due to a lower number of staff in the year.

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

2020	2019
£	£

Transactions and balances with related parties

At the year end the charity was owed £nil (2019: £nil) by its subsidiary company.

No guarantees have been given or received.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2020

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

2020	2019
£	£
26,953	(31,890)
7,120	(13,057)
(63,816)	(7,575)
14,520	16,745
17,849	59,235
87,272	(146,012)
89,896	(122,554)