

Company Registration No. 02546750
Charity Registration No. 1001582

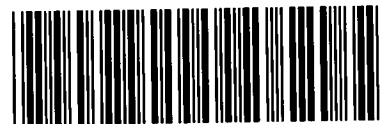
POSITIVE EAST

(A charitable company limited by guarantee)

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

FOR THE YEAR ENDED 31 MARCH 2018

FRIDAY



L23 *L7L92TGW* #79
21/12/2018
COMPANIES HOUSE

BOARD OF TRUSTEES AND ADVISORS

Patron

Lord Collins of Highbury
Rt. Hon Stephen Timms MP

Board of Trustees

Graham Stoner*
Marigold Chirisa +
Mark Butcher* (resigned 2 June 2018)
Pete McDonnell* (Chair and co-chair of Finance and Fundraising committee)
Ravi Ravindran* (Treasurer and Chair of Finance and Fundraising committee)
Rebecca Wilkins+ (Chair People Management committee)
Nena Foster*
Simon Killick
Genoveffa Noschese* (resigned 2 June 2018)
Kirsty Cornell+(resigned 2 June 2018)
Sarah Shearer*
Mike Burnham* (appointed 26 April 2018)
Tony Parker +(appointed 26 April 2018)

* Member of Finance and Fundraising committee

+ Member of People Management 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
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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 2018**

The Board of Trustees are pleased to present their annual report and the financial statements of the charity for the year ended 31 March 2018, 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 Manager, Prevention and Testing Manager, Advice Services Manager, Volunteer Performance Manager and the Peer support 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 in Board meetings. 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. A skills audit is carried out periodically to identify gaps. New Trustees are given an induction, and there are opportunities for Trustee training throughout the year.

There are two subcommittees reporting to the Board. The Joint Finance and Fundraising committee and the People Management committee. The sub-committees provide 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. Additionally, there is a Building Group set up to evaluate how the charity can best utilise the existing Stepney Centre.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)**

Finally, there is a Social Enterprise working group that oversees work in relation to social enterprise initiatives. These include the re-launched programme to promote wellbeing through mindfulness in the workplace to the health and finance sectors 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.

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 Sub-committees but the majority of members must always be members of the Board of Trustees.

Full Board meetings take place approximately every quarter, with Subcommittee meetings scheduled before to feed reporting into these meetings.

The members of the Board of Trustees as at 31 March 2018, all of whom held office throughout the year, unless otherwise stated, were as follows: -

Pete McDonnell (Chair)
Graham Stoner
Marigold Chirisa
Mark Butcher (subsequently resigned)
Ravi Ravindran
Rebecca Wilkins
Nena Foster
Simon Killick
Genoveffa Noschese (subsequently resigned)
Kirsty Cornell (subsequently resigned)
Sarah Shearer

Trustees can claim for reasonable expenses incurred in undertaking the Charity's business but they receive no remuneration or other financial benefit. All members of the Board have confirmed that they do not have, and have not had any beneficial interest in any contract with the Charity.

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 2018. 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*".

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.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)**

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 ongoing 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 as a result to the people living with HIV.

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

This was the last year of our current strategy. The plan set out the following 5 objectives to get us closer to achieving our vision:

- 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

One of the key ambitions of Positive East is to help individuals and communities to realise their potential. This year has been no different and the Charity has continued to contribute towards building individual and community capability in meeting the challenge that HIV still presents us.

The focus of the work of the Charity continues to involve:

- Supporting people living with HIV to live full healthy lives
- Contribute towards the elimination of the onward transmission of HIV
- Ensure the voice of people living with HIV is heard by decision makers
- Challenge the ongoing challenge of HIV stigma and discrimination

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)**

HIV Support Services

The Charity continued to deliver its holistic offer of services supporting people with HIV to live full and healthy lives. These services included information, advice, advocacy, peer support, counselling, specialist psychology, support groups, and health and wellbeing workshops.

Our clients very much value the approach that the Charity takes to the delivery of our services. The following is a snapshot from our annual service user survey:

- 90% of clients found staff, approachable, kind and compassionate
- 89% of clients feel safe there. Can be myself and won't be judged
- 83% of clients state staff have right attitude, knowledge & skills
- 83% of clients report staff culturally aware, sensitive to my needs, state of mind and to my family/carers
- 80% of clients find that Positive East offers a comprehensive service that is easily accessible, responsive, offering choice & providing me with timely care

Our HIV support service has outreaches in all 5 HIV clinics across North East London ensuring we bridge the gap for people between health and social care services. It also means that alongside providing information and advice via telephone, email and where appropriate home and hospital visit our service is accessible to the communities, we serve.

Case-Study Re:Assure Project

Our Re:Assure Project focus is on HIV Positive women, in particular, refugees and asylum seekers who have experienced trauma related to civil conflict rape, sexual violence and other forms of abuse. Many have complex needs related to past and current traumas and are living in difficult economic and social circumstances with immigration status being a major concern.

The project provides psychological therapy, group work, peer support and mentoring so that the women can overcome the impact of past traumas, current conflicts and fear of stigma and disclosure around their HIV status. The psychological therapy is led by a qualified and experienced clinical psychologist and supported by our Peer Support team. The project also undertakes secondary prevention with the women attending the courses.

Women on the project have run sessions with psychology degree course, spoken at conferences (e.g. at the Tavistock institute) and contributed to a chapter of a book 'Liberation Practices: Towards Emotional Wellbeing Through Dialogue'

In a recent service review 92% who attended individual psychology appointments reported a significant increase in self-esteem leading to increased ability to make positive life decisions going forward. Women's mental health had improved dramatically. Depression and anxiety levels decreased for participants with some moving from scoring in the 'moderately severe' ranges e.g. 15 and have now dropped to 'mild' range e.g. 4.5 on the Patient Health Questionnaire (PHQ)/Generalised Anxiety Disorder scaled (GAD).

Feedback from participants in the most recent self-expression, sex and relationship workshop included:

- a) 100% reported that it was extremely useful.
- b) 92% said that attending the workshop improved their knowledge of issues relating to sex and relationships and therefore an improvement in confidence.
- c) 90% reported an increase in self-esteem.
- d) 80% reported an improved ability to confidently manage healthy relationships going forward.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)**

e) Women said that they were able to cope better following the workshop (86%) as it helped them to become more resilient and strong (86%). They also reported that they made good relationships with each other (97%), which is important in maintaining mutual support.

The following is a case-study further illustrating outcomes:

A fled an African Country following a situation where she and one of her daughters were gang raped and her first husband and son were murdered.

A was referred to the project following a series of suicide attempts triggered by the emotionally abusive behaviour of her ex-husband, which included disclosing her HIV status to the community.

She attended with her daughter and both women made remarkable progress. The result of attending the one to one sessions has meant A no longer feels suicidal and she has regained her independence and hope for the future. Her daughter felt able to study and has graduated from University and is looking for work.

A says 'I feel that every person should be given an opportunity to have a chance like the one that I have been. They have shown us love, care and support on everything, no matter how small. It is something I had not experienced before, except with my daughter.'

HIV Prevention & Testing Services

Our HIV prevention and testing service goes from strength to strength reaching out and engaging with communities. The service offers HIV testing at our offices in Stepney and various static and pop-up clinics in community settings across East London.

The prevention and testing service is very successful in connecting with people who would not otherwise access mainstream sexual health service provision.

We had a particular focus during the summer period which resulted in a large number of HIV and Sexual Health interventions. This was achieved through attending festivals and targeted testing events at Naija in the Park, Love Box and Citadel, African Nations Cup UK, Ridley Road Market, Petticoat Lane and the Hackney Carnival.

We started a new project during the year funded by Public Health England through their innovation fund. This work involved insight development about knowledge and awareness around the issue of PrEP for women and people from African Communities. This work will result in the co-production of a short video clip with women from African communities that we will promote on our social media channels.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)****Case-Study Faith Forum**

Between May 2017 and April 2018, Positive East developed an African faith forum, which has met six times. The forum worked with pastors and church leaders around a number of issues including: HIV testing, Stigma, PrEP and PEP and facilitated huge advances with HIV testing and outreach sessions at churches throughout East London, ending with a Faith Symposium headed by seven African pastors, and Miss Congo UK, who is living openly with HIV. The project included an expansive outreach and testing presence at African markets and community festivals, as well as building relationships with and attending football events in east London. The project also identified emerging west African communities and their needs and enabled us to develop targeted HIV testing messaging.

In the period, we provided 2321 in depth interventions and 528 HIV tests to African communities, exceeding our contracted testing outcomes. 1 client tested reactive and was seen by an HIV clinic within 24 hours for a confirmation test, and 2 clients were reengaged with HIV services.

The faith forum's development and work was a key success in engaging with black and minority ethnic (BME) communities to bring about a change in prevention related behaviour.

The faith forum enabled us to gain access and provide testing and outreach services for 8 African churches in East London. In turn, the forum involved pastors living with HIV which supported us to reach and re-engage individuals 'Lost to Follow Up' for HIV services, acting as secondary prevention. The forum also acted as a consultation space for faith leaders. The development of an African specific PrEP intervention was coproduced by the forum, and our African community volunteers carried out the PrEP intervention within forum churches.

Volunteering in Positive East

One of the key ways that we build individual and community capability is through our volunteer programme. Volunteers are vital to the delivery of our services with them delivering 1 in every 4 hours of service. Our volunteers extend our reach and through their diversity enable us to overcome cultural and linguistic barriers to connecting with communities. Involving people living with HIV as volunteers supports those individuals in their personal journeys as well enabling us to have dynamic service user engagement in the development and delivery of services. Volunteers during this year took on positions of leadership e.g. running HIV testing clinics. We will be building on such developments expanding this opportunity to benefit from the skills and talents of volunteers in the coming year.

Our success with our approach to volunteering is illustrated by feedback from a recent survey of our volunteer teams where 97% said that they would recommend volunteering at Positive East to others, 86% reported it enabled them to achieve their personal goals, and 94% stated that they had learned new skills and that volunteering had given them the opportunity to learn and grow.

Other Achievements

The Board of Trustees were very proud to sign the Charity up to the international community consensus statement **Undetectable=Untransmittable** hosted by Prevention Access Campaign. This is a key unequivocal message that if someone is diagnosed with HIV, is on treatment and has sustained suppressed viral load, they cannot pass on HIV to their sexual partners.

Positive East shared a copy of HIV manifesto with all parliamentary candidates standing in east London constituencies during the General election. The campaign, organised by HIV organisations across the country, was to ensure that HIV and sexual health was on the agenda during the election and included in political manifestos.

Our 8th Annual Red Run built on the success of previous years with over 1,000 runners and £100,000 raised for the 28 Charities taking part. The Red Run was hosted by drag band Denim, with special guest Amy Lane and with the run started by the iconic Dame Barbara Windsor.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)**

Advertising Company Wieden + Kennedy refurbished the Charity's drop-in, café area and counselling rooms during the year. The company called on the support of 19 of their suppliers to make-over the spaces ensuring our clients had access to the best environment.

We are a part of a partnership promoting the UK AIDS Memorial Quilt. We were involved in displaying panels of the quilt at Westminster Hall in the Palace of Westminster during the week leading up to World AIDS Day. Whilst on display we used the opportunity to meet Members of Parliament as they visited the Quilt and raising the ongoing challenges that HIV still presents.

The Future

These are fast changing times with challenge in relation to the changing needs of individuals and communities affected by HIV and ever diminishing resources to address those needs.

The Charity spent time considering these issues over the year as part of process of renewing and developing our strategy for the next 3 years. The Charity's Trustees agreed a new strategy 'Delivering for today and building for tomorrow' which we will start delivering in the new financial year.

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 remnants of the austerity campaign to the current Brexit uncertainty.

The current level of free reserves (defined as unrestricted reserves less fixed assets) is £380,600 (2017 £348,000) after posting a £32,000 surplus in the year (2017 £152,000 surplus).

With planned budgeted operational spend of £1.2/£1.3 million in 2018/19 or around £100,000 per month this means the charity has currently between three and four months of free reserves. This is below what the charity has set for its reserves and Trustees have committed to achieve an increase in reserves to a position in which the Charity feels more comfortable. Last year a target was set to increase the reserves by running surpluses at some £25-35,000 per annum, funding dependent. In 2017/18 we achieved the target.

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 are 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 2018 we checked that the business interruption aspects of the insurance policy to ensure it remains sufficient to meet the needs of the charity. The cover in mid-2018 remains adequate and covers the additional spend that would arise from any relocation required.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (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. In the past 2 years the charity has introduced a new and 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.

Finally, the charity is pursuing the increased use of the people living with HIV 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 15. They show that the income remained static at £1,314,000 (2017 £1,323,000) and with expenditure up at £1,282,000 an operating surplus of £32,000 was achieved.

In summary, the strategy remains one of 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 costs.

Fixed Assets

Details of the movement in fixed assets are in note 12 to the financial statements. The year saw the net book value of assets of the charity flatline as a result of some purchases offset by ongoing depreciation. The net book value stayed static at around £74,000.

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 on a high interest-bearing account. The year saw interest income of £6,195 (2017 £5,758) 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 currently have invested £125,000 and at year end there was an unrealised gain of £4,878 (2017 £19,000).

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.

**BOARD OF TRUSTEES REPORT (Incl. Group Directors Report)
for the year ended 31 March 2018 (Cont.)**

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

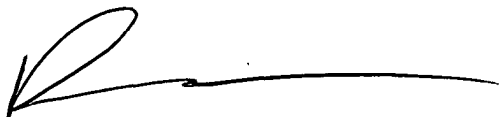
M J Bushell Ltd has indicated that they are willing to be reappointed as auditors for the next year.

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 19th November 2018 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 2018 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 Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 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 for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the in accordance with the ethical requirements that are relevant to our audit of the accounts 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 trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the '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 trustees 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 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.

**INDEPENDENT AUDITORS' REPORT
to the members of Positive East (Cont.)**

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
- 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 responsibilities, the trustees, who are also the directors of the 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 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 '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 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.

Use of our 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

18-12-2018
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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 2018

INCOME AND ENDOWMENTS FROM:	Notes	2017-2018			2016-2017		
		Unrestricted Funds	Restricted Funds	Year ended 31 March 2018	Unrestricted funds	Restricted funds	Year ended 31 March 2017
		£	£	£	£	£	£
Donations and legacies							
1. Grants received from core activities	3	-	95,000	95,000	-	89,000	89,000
2. Donations and legacies	4	17,233	-	17,233	14,090	-	14,090
Charitable activities							
1. Performance related grants	5	-	1,032,695	1,032,695	-	1,117,675	1,117,675
Earned from other activities							
1. Other trading activities	6	125,593	-	125,593	65,659	-	65,659
2. Commercial trading operations	13	2,321	30,000	32,321	11,365	-	11,365
Investment and Other income							
1. Investment income	7	11,073	-	11,073	24,870	-	24,870
Total Income and Endowments		156,220	1,157,695	1,313,915	115,984	1,206,675	1,322,658
EXPENDITURE:							
Cost of raising funds							
1. Fundraising costs	8a	154,528		154,528	147,880		147,880
2. Trading costs	13	-	68,825	68,825	9,767		9,767
Expenditure on Charitable activities							
1. HIV Testing and Prevention services	8a		318,310	318,310		267,788	267,788
2. Advice	8a		340,126	340,125		325,565	325,565
3. Peer Supports and Counselling services	8a		400,140	400,140		366,444	366,444
4. Governance costs	8a		-	-		53,074	53,074
5. Exceptional Item							
Total Expenditure		154,528	1,127,401	1,281,928	157,647	1,012,871	1,170,518
Net income/(expenditure)		1,692	30,294	31,987	(41,663)	193,804	152,140
Transfers between funds		30,294	(30,294)		193,804	(193,804)	
Net movement in funds		31,986	-	31,986	152,140	-	152,140
Reconciliation funds:							
Total fund brought forward		422,432	-	422,432	270,292	-	270,292
Total Fund carried forward		454,419	-	454,419	422,432	-	422,432

CONSOLIDATED AND PARENT CHARITABLE COMPANY BALANCE SHEETS
as at 31st March 2018

		Group		Charity	
	Notes	2018 £	2017 £	2018 £	2017 £
Non Current Assets					
Tangible Assets	12	73,816	74,475	73,816	74,475
Investment	13	140,000	155,106	140,000	155,106
Total fixed assets		213,816	229,582	213,816	229,581
Current Assets					
Debtors	14	179,211	102,536	178,220	102,146
Cash at bank and in hand		369,957	412,481	368,806	410,530
		549,168	515,018	547,025	512,676
Creditors: amount falling due within one year	15	308,564	322,167	308,420	322,167
Net current assets		240,604	192,851	238,605	190,509
Net assets		454,419	422,432	452,421	420,090
Funds					
Restricted funds	16a	-	-	-	-
Unrestricted funds:					
- General Funds	16b	454,419	422,432	452,421	420,090
- Designated		-	-	-	-
	17	454,419	422,432	452,421	420,090

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 19 November 2018 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 2018

	Notes	2018 £	£	2017 £	£
Cash flows from					
Cash generated from/(absorbed by) operations	20		(41,097)		176,639
Cash flows from investing activities					
Interest received		11,073		5,758	
Purchase of tangible fixed assets		(12,500)		(4,008)	
Purchase/ Sale of investments				-	
Net cash generated from/(used in)			<u>(1,427)</u>		<u>1,750</u>
Net increase/(decrease) in cash and cash equivalents			(42,524)		178,389
Cash and cash equivalents at beginning			<u>412,481</u>		<u>234,092</u>
Cash and cash equivalents at end of year			<u>369,957</u>		<u>412,481</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2018

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

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 are those funds 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 are those funds 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 2018

- **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 2018

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 2018

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 2018

3. Grants receivable for core activities

MacAIDS

Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
£	£	£	£	£	£
-	95,000	95,000	-	89,000	89,000
-	95,000	95,000	-	89,000	89,000

4. Donations and legacies

Donations

Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
£	£	£	£	£	£
17,233	-	17,233	14,090	-	14,090

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

5. Performance related grants

	Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
	£	£	£	£	£	£
London borough of Hackney - HIV Prevention and Testing	-	-	-	-	-	-
London borough of Hackney - HIV Supports	-	158,220	158,220	-	145,880	145,880
London borough of Hackney - HIV Testing - HealthWatch	-	-	-	-	-	-
City Bridge Trust	-	-	-	-	19,500	19,500
London Borough of Havering - HIV support	-	13,257	13,257	-	13,257	13,257
London Borough of Barking and Dagenham	-	49,930	49,930	-	49,930	49,930
London Borough of Tower Hamlets - HIV Prevention and Testing	-	222,996	222,996	-	135,517	135,517
London Borough Tower Hamlets - HIV Supports	-	39,549	39,549	-	87,005	87,005
London Borough of Newham	-	90,400	90,400	-	195,599	195,599
Pan London Gay Men Interaction (GMI) BME	-	81,514	81,514	-	62,276	62,276
London Borough of Redbridge - HIV supports	-	78,000	78,000	-	78,673	78,673
London Borough of Waltham Forest - HIV Support	-	63,549	63,549	-	82,493	82,493
London Borough of Waltham Forest - HIV African Support	-	-	-	-	19,500	19,500
London Borough of Waltham Forest - HIV Testing	-	-	-	-	-	-
HPE - African	-	11,202	11,202	-	11,150	11,150
HPE - Gay	-	12,768	12,768	-	-	-
Henry Smith	-	17,100	17,100	-	35,600	35,600
ViiV Healthcare	-	28,920	28,920	-	15,000	15,000
Award for all - OASIS	-	10,000	10,000	-	-	-
Big Lottery - Reaching Community Heritage Project	-	77,996	77,996	-	75,724	75,724
Comic Relief	-	9,480	9,480	-	25,364	25,364
Hormerton	-	4,500	4,500	-	4,500	4,500
Pilgrim	-	23,333	23,333	-	13,611	13,611
Gilead Testing	-	15,324	15,324	-	27,097	27,097
Gilead-Reassure	-	-	-	-	5,000	5,000
CBT - Remind	-	30,000	30,000	-	-	-
PHE	-	15,768	15,768	-	-	-
Big Lottery - Big Potential	-	8,890	8,890	-	15,000	15,000
	-	1,062,695	1,062,695	-	1,117,675	1,117,675

Note: the difference between the total income shown on the Consolidated Statement of Financial activities (page 15) of £1,032,000 (2017: £1,117,000) and the table above of £1,062,000 (2017: £1,117,000) is the commercial trading income of £30,000 (2017: £nil).

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018
6. Other trading activities

Fundraising events
 MAST - income from letting
 arrangements for property
 Other income (17/18 inc. Spectra &
 Metro)

Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
£	£	£	£	£	£
98,613	-	98,613	57,398	-	57,398
14,500	-	14,500	5,500	-	5,500
12,480	-	12,480	2,760	-	2,760
125,593	-	125,593	65,659	-	65,659

7. Investment income

Interest
 Revaluation of CCLA investment at fair
 value at 31.03.18

Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
£	£	£	£	£	£
6,195	-	6,195	5,758	-	5,758
4,878	-	4,878	19,112	-	19,112
11,073	-	11,073	24,870	-	24,870

8a. Total resources expended

	Fundraising	HIV Testing and Prevention services	Advice	Peer supports and Counselling	Trading	Governance	Total 2018	Total 2017
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff Costs (Note 10)	111	232	255	296	42	-	936	851
Direct costs (Non Staff)	13	26	18	25	16	-	98	96
Overhead	10	21	24	28	5	-	88	73
Infrastructure	20	40	43	51	6	-	160	141
Total Resources Expended	155	318	340	400	69	-	1,282	1,161

Note: the difference between the total expenditure shown on the Consolidated Statement of Financial activities (page 15) of £1,282,000 (2017: £1,171,000) and the table above of £1,282,000 (2017: £1,161,000) is the trading costs of £nil (2017: £10,000)

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

9. Net income/(expenditure)

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

- Staff Costs
- Depreciation - owned assets
- Professional Indemnity liability
- Auditors' remuneration
- Remuneration of auditors for non-audit work

2018	2017
£	£
936,177	851,484
13,159	19,784
9,541	9,992
11,335	5,800
-	-
970,212	887,060

10. Staff Costs

Total employment costs were:

- Wage and salaries
- Social security costs
- Pension costs

2018	2017
£	£
787,506	719,850
76,411	65,305
72,261	66,329
936,177	851,484

FTE

- Fundraising
- Prevention
- Advice
- Peer supports and Counselling services
- Administration of the charity

2018	2017
£	£
2	2
4	4
4	3
6	6
6	5
22	20

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 (2017: none)

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

12. Tangible fixed assets

Historical costs

At 1st April 2017

- Reclassification Transfers
- Additions
- Disposals

At 31st March 2018

Depreciation

At 1st April 2017

- Reclassification Transfers
- Charge for the year
- Disposals

At 31st March 2018

Net book value

At 31st March 2017

At 31st March 2018

	Leasehold Improvements	Other Leasehold	Less Government Grant	Furniture and Fittings	Office Equipment	Computer Equipment	Gym Equipment	Total 2018	Total 2017
	£	£	£	£	£	£	£	£	£
At 1st April 2017	596,722	151,338	(280,000)	37,235	17,767	127,666	6,516	657,243	653,235
• Reclassification Transfers	-	-	-	-	12,000	500	-	12,500	4,007
At 31st March 2018	596,722	151,338	(280,000)	37,235	29,767	128,166	6,516	669,743	657,243
Depreciation									
At 1st April 2017	596,722	88,893	(280,000)	36,405	16,364	122,701	1,683	582,767	562,983
• Reclassification Transfers	-	-	-	-	-	-	-	-	-
• Charge for the year	-	8,026	-	379	1,352	2,750	652	13,159	13,159
At 31st March 2018	596,722	96,919	(280,000)	36,785	17,716	125,451	2,335	595,925	576,142
Net book value									
At 31st March 2017	-	62,446	-	830	1,402	4,965	4,833	-	74,475
At 31st March 2018	-	54,419	-	450	12,050	2,715	4,181	73,816	-

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 2018
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

	2018	2017
	£	£
Turnover	2,321	11,365
Expenditure	(2,666)	(9,767)
	<u>(345)</u>	<u>1,598</u>
Current asset		
- Cash in hand	1,152	1,951
- Debtors and prepayment	123	392
- Other Debtors - VAT receivable from HMRC		
Creditor		
- amount falling due within one year	(2,217)	(500)
- other creditors - accrual	-	-
	<u>(942)</u>	<u>1,843</u>
Called up share capital	125,000	125,000
Retained earnings	(123,502)	(123,157)
	<u>1,498</u>	<u>1,843</u>

As a result of past years' poor trading we consolidated the trading company activity in the current year under review. We cut the expenditure relating to the mindfulness programme and concentrated on the cafe where we were able to make a small surplus.

Additionally, we have actively and successfully sought out grant funding for the mindfulness programme. At the end of 2016 and into early 2017 we were successful in gaining funding from both Big Lottery and City Bridge Trust. This has enabled us to breath fresh life into the mindfulness programme and it is expected to return to the market with an offering in subsequent years.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

13. Fixed asset investments (cont)

Listed investments
Unlisted investments

Group		Charity	
2018	2017	2018	2017
£	£	£	£
130,000	145,106	130,000	145,106
10,000	10,000	10,000	10,000
140,000	155,106	140,000	155,106

Listed investments included above

Listed investments carrying amount

Group		Charity	
2018	2017	2018	2017
£	£	£	£
130,000	145,106	130,000	145,106
130,000	145,106	130,000	145,106

14. Debtors

Grants Receivable:

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

Group		Charity	
2018	2017	2018	2017
£	£	£	£
180	140	180	140
-	-	-	-
10,972	10,972	10,972	10,972
-	-	-	-
-	10,625	-	10,625
70,500	-	70,500	-
10,144	10,179	10,144	10,179
6,517	3,021	6,517	3,021
-	4,500	-	4,500
98,313	39,437	98,313	39,437
Other Debtors			
9,848	6,074	8,857	6,074
Prepayments			
8,933	6,127	8,933	6,127
Accrued income (WIP income)			
62,116	50,506	62,116	50,506
VAT receivable from HMRC			
-	392	-	392
179,211	102,536	178,220	102,536

Total

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

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	
2018	2017	2018	2017
£	£	£	£
51,943	40,907	51,943	40,907
5,366	1,509	5,221	1,509
21,676	16,831	21,676	16,831
28,707	23,177	28,707	23,177
187,235	222,296	187,235	222,296
-	-	-	-
-	-	-	-
13,637	17,447	13,637	17,447
308,564	322,167	308,419	322,167

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 (31.03.2018) then a value representing the portion remaining unmet is deferred until the future. At 31.03.2018, a total of £187,235 (at 31.03.2017 the equivalent was £222,296) was rolled over to the future.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

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

London borough of Hackney - HIV
City Bridge Trust
London Borough of Havering - HIV
London Borough of Barking and
London Borough of Tower Hamlets - HIV
London Borough Tower Hamlets - HIV
London Borough of Newham
Pan London Gay Men Interaction (GMI)
London Borough of Redbridge - HIV
London Borough of Waltham Forest - HIV
HPE - African
HPE - Gay
Henry Smith
ViiV Healthcare
Award for all - OASIS
Big Lottery - Reaching Community
Comic Relief
Hormerton
MacAIDS
Pilgrim
Gilead Testing
PHE

Big Lottery - Big Potential

Brought Forward	Income	Expenditure	Carried Forward
£	£	£	£
	158,220	158,220	-
	-	-	-
	13,257	13,257	-
	49,930	49,930	-
	222,996	222,996	-
	39,549	39,549	-
	90,400	90,400	-
	81,514	81,514	-
	78,000	78,000	-
	63,549	63,549	-
	11,202	11,202	-
	12,768	12,768	-
	17,100	17,100	-
	28,920	28,920	-
	10,000	10,000	-
	77,996	77,996	-
	9,480	9,480	-
	4,500	4,500	-
	95,000	95,000	-
	23,333	23,333	-
	15,324	15,324	-
	15,473	15,473	-
	8,890	8,890	-
	1,127,401	1,127,401	-

16b. Unrestricted Reserves:

General Fund

Total

Brought forward	Income	Expenditure	Carried Forward
£	£	£	£
422,432	186,514	(154,528)	454,419
422,432	186,514	(154,528)	454,419

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

17. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Tangible fixed assets	73,816	-	73,816	74,475
Investment	140,000	-	140,000	155,106
Cash at bank and in hand	369,957	-	369,957	412,481
Other current assets	179,211	-	179,211	102,536
Current liabilities	(308,564)	-	(308,564)	(322,167)
Transfer between funds	30,294	(30,294)	-	-
	484,714	(30,294)	454,420	422,432

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 £72,261 (2017: £66,329).

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.

The remuneration of key management personnel is as follows:

Aggregate compensation

2018	2017
£	£
-	-

Transactions and balances with related parties

At the year end the charity was owed £nil (2017: £nil) by its subsidiary company.

The balances are non-interest bearing and are repayable on demand in cash.

No guarantees have been given or received.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
for the year ended 31st March 2018

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

2018	2017
£	£
31,986	152,140
(11,073)	(24,870)
15,108	-
13,159	19,784
(76,674)	85,813
(13,603)	(56,228)
(41,097)	176,639