

POSITIVE EAST

Company Register No. 02546750

Charity Register No. 1001582

POSITIVE EAST

(A charitable company limited by guarantee)

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

FOR THE YEAR ENDED 31 MARCH 2022

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REFERENCE AND ADMINISTRATION**BOARD OF TRUSTEES AND ADVISORS****Patrons**

Lord Collins of Highbury
Rina Sawaya
Dominic Skinner

Board of Trustees

Graham Stoner* (resigned January 2022)
Marigold Chirisa +
Peter McDonnell* (Chair and co-chair of Finance and Fundraising Subcommittee)
Ravi Ravindran* (Treasurer and Chair of Finance and Fundraising Subcommittee)
Rebecca Wilkins+ (Chair People and Services Committee)
Sarah Shearer*
Mike Burnham *
Tony Parker + (resigned July 2021)
Selin Yurdakul +
Michelle Weston
Kirsty Cornell +(re-appointed February 2021)

* Member of Finance and Fundraising Committee

+ Member of People and Services Committee

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

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

THE CHAIR'S REPORT

This was the year we celebrated our 30 years supporting individuals and communities affected by HIV improve the quality of their lives. We marked the milestone in our history throughout the year and with a celebration at Conway Hall. We celebrated the journey we had travelled, we honoured the people we had lost and committed to finishing the work that had been started.

COVID still loomed large in the lives of our beneficiaries and the life of the Charity over the year. It was still very much the lens through which we saw our work as we continued our programme of Recovery and Reimagining. Its impact was exemplified through the increasing complexity of need amongst people living with HIV that we support, seen in increasing mental health needs, poverty and social isolation.

For a significant number of our clients, they were also starting to be hit by The 'Cost of Living Crisis' the first signs of the oncoming storm. Universal Credit was cut by £20 a week, social security benefits were uprated by 3% despite the predictions that inflation would hit 8% (and in fact went higher), and the transfer from Disability Living Allowance to Personal Independence Payment meant many had reductions in this most significant of ill health and disability benefits. It is clear our HIV services and support were needed more than ever before.

During this time our HIV prevention and testing services fully returned to delivering HIV testing and STI screening in places frequented by the community. This included activities undertaken through our GMI Partnership which included our programmes funded by the London HIV Prevention Programme and London Fast Track Cities Initiative.

Our plan for the year was driven through the following 3 themes:

- i) Living Safely with COVID
- ii) Embedding the Digital Approach
- iii) Reimagining our Services:
 - Advice Services
 - Counselling, Peer Support. Psychology & Health and Wellbeing
 - Prevention & Testing Services
 - Volunteer Services

i) Living Safely with COVID

It was clear that we still needed to navigate COVID risk to keep our clients, volunteers and staff safe and ensure the resilience of the Charity. We ensured that all staff and volunteers received booster vaccines and actively encouraged our clients to do the same.

We maintained risk mitigation measures for in-person services including use of appropriate PPE, asymptomatic testing, HEPA air purifiers, and a COVID cleaning regime amongst other measures. This approach helped us to have the confidence to increase the offer of in-person services and in particular our HIV Prevention and Testing services which returned to pre-pandemic levels during this time.

ii) Embedding the Digital Approach

Remote service delivery worked well for a significant number of our clients. It made services more accessible, reduced 'Do Not Attends' in our counselling and psychology services, and were often more productive e.g. clients had all their relevant documents to hand in our advice service. We decided that the digital approach would remain part of our offer whilst we worked to also returning to in-person services as we were clear that this was a preference and a necessity in terms of access for some.

We recognised that poverty was a limiting factor in people being able to participate online and maintained our digital hardship fund ensuring people can access data and devices to be able to participate.

iii) Reimagining our Services

1. Advice

Our Advice Service was re-accredited with the Advice Quality Standard. We are very proud to be one of the only HIV Charities delivering advice that has holds the quality accreditation. We started to offer in-person services during the year at our office and one of the local HIV clinics in North East London. This was in addition to email, telephone and video call. The service continues to play a vital role in creating a financially stable platform for our clients living with HIV to be able to promote their health and wellbeing, This is illustrated through a survey we undertook where as a result of benefiting from our advice service

- 84% clients reported reduced stress and anxiety
- 81% clients reported increased wellbeing
- 80% clients reported improved feelings of independence and 75% reported more confidence in the future

Our service maximises an individual's income through providing information, advice, advocacy and casework service supporting people to claim their full benefit entitlements. During this period we enabled people to gain £734,980.86 in benefits and hardship grants on an annualised basis.

An example of the cases we are dealing with is that of Joe as detailed below:

Joe's story

Joe was self-employed and had no income while he was in hospital. He made a claim on his life insurance, but the claim was refused and he was told "acquiring HIV via sexual contact rather than occupational contact was not covered". He was using his savings to pay his mortgage and those were beginning to dwindle.

The hospital put Joe in touch with Positive East's Advice Service. One of our Advice workers supported Joe to complete an ESA form and a Personal Independence Payment form, get further guidance on the legality of the insurance rejection from one of our partner organisations, and make a phased return to work plan.

Joe's ESA was awarded at £133.75 per week and PIP was awarded at £9,193 over two years. We supported Joe together with his Union to assist with a mortgage policy claim which fully covered the cost.

The ease of financial stress allowed Joe to focus on recovering. Joe told us that he "felt supported and not oppressed" as a result of our Advice Service and was impressed by the range of advice and support provided.

During the year we started to see the warning signs of the on-coming storm that is the 'Cost of Living Crisis'. The following case-studies are some examples of how our clients are starting to experience it. We are deeply concerned about its impact on our clients' health and wellbeing.

Jack & Mariam's Story

Jack and Mariam are a married couple. Mariam was granted 'Leave to remain' by the home office. This meant that for benefit purposes Jack and Mariam were, from that point, treated as a couple for benefit purposes. The circumstances are such that they needed to apply for Universal Credit. In applying for Universal Credit as couple they will lose up to £50 a week and Jack will lose his pension credit.

They are worried about how they will financially cope as they have reported an increase in food costs, a rise in council tax liability after CT benefit, and increased energy costs as they have a prepayment meter.

They worry that soon they will have to start using local food banks which they feel humiliated about.

Matilda's Story

Matilda is a 42 year old single parent mother with two dependent children, her immigration status allows her to work in the UK but she is prohibited from having access to public funds. Matilda worked but is not entitled to in-work benefits. She was worried about applying to the Home Office to change her status to allow her to claim benefits because of the 'hostile environment' and a concern that her next application to extend her Visa maybe refused.

Matilda told us that despite working she was experiencing increased food costs, increased rent and council tax charges, energy costs (prepayment meter), and increase in cost of children's clothing. This meant she is working simply to pay her bills and has no disposable income. Matilda worries that if prices keep rising, she will have to start using local food banks very soon to get by each month.

Supporting our clients to navigate this will be a key part of our planning in the next financial year.

2. Counselling, Peer Support, Psychology & Health and Wellbeing

Our HIV Health and Wellbeing Services continued to play a key role in supporting our clients living with HIV. We had a strong offer providing:

- One to one emotional and therapeutic support from peer mentoring, counselling and our specialist psychology service (Reassure).
- We re-established our in-person support groups which were particularly welcomed by our clients
- Our Health and Wellbeing Workshops continued providing information and advice supporting people to live well with HIV.
- We also felt it was important to offer social activities, it was what our clients asked for and needed to address social isolation and loneliness exacerbated by the experience of COVID

We continued to deliver our innovative 'quality improvement' driven project, funded by London Fast Track Cities, in partnership with HIV clinics in North East London. We were testing the use of the 'Wellbeing Thermometer'. A tool that makes it easier for HIV clinic based Health Care Professionals to identify broader psycho-social needs of their HIV+ patients and it refer into our services. In identifying and addressing these needs early we prevented their escalation supporting people to stay engaged with their care and promote their health and wellbeing. We are currently exploring how the 'wellness thermometer' may help us identify people that are at risk of disengaging in care.

HIV related stigma has a serious impact on the lives of people living with HIV. We were therefore really pleased to have been successful in gaining a place on the London Fast Track Cities 'Community of Practice' to develop a 'Framework for an Empowerment to tackle internalised stigma'. This was an

opportunity to share our experience together with colleagues from across the London HIV sector to shape this Framework. We went on to be successful in being a partner in delivering the programme.

In the coming year we will be exploring how we can refresh and strengthen our health and wellbeing offer coming out this latest phase of COVID.

3. Prevention & Testing Services

Our Prevention and Testing Services continued to contribute to achieving the national target of ending onward transmission of HIV by 2030. Our model is delivered through a culturally competent approach, building trust, working with communities where they are at and removing barriers through, for example, delivering services where people live their lives.

We returned to in-person delivery as before the start of the pandemic running HIV and STI screening clinics in over 50 places in the community. We undertook 1996 HIV tests with 627 of those people being tested being tested for the first time. We were reaching the right groups and communities with we tested:

- 618 women
- 270 people from a black African background
- 530 gay and bisexual men

In this period, we engaged with 6000 people on an in-person basis providing information, advice and resources including condoms and lube. We also had 5000 interactions with people through netreach, email and phone. This being a recognition of the different ways that we are ensuring access, enabling people to get information, in the way that works for them, to keep them informed and preventing the acquisition of HIV.

We know that not all groups and communities are benefiting from the great news about HIV. We believe we will have only beaten HIV when this is an inclusive victory, and no group or community is left behind. This is why we have been delighted to be involved in developing and delivering projects that are focused on addressing HIV inequities and inequalities. It is our view that unless we take this approach the 2030 targets are very much at risk and minoritised communities will lose out. These include projects like our

- Women 4 Women (funded by East London Councils Newham, Redbridge, Tower Hamlets, Waltham Forest and Hackney). This project is being delivered in partnership with Barts Health and QMUL. We skilled up women from Black African and Black Caribbean heritage as Sexual Health community champions to build community capacity and gather insight on barriers to accessing PrEP, HIV and Sexual & Reproductive Health resources and services. We will also

been able to recruit and train 2 community peer researchers to support the capture of community insight and create resources to enable women from our target communities access the HIV and Sexual and Reproductive Health Services that they need.

- Migrants Project - working with through GMI Partnership (funded by London Fast Track Cities) we have a small bus which is fitted out to be a mobile HIV testing clinic. The bus enables us to go to places frequented by people from migrant communities and enable easy access to HIV testing, information and resources.
- Project Community (funded by the City of London & the London Borough of Hackney) – we were successful in winning this new contract which will be delivered in the new financial year. It has a focus on people from Black African, Black African Caribbean and other people from a minoritised background addressing inequities and inequalities in accessing PrEP, HIV and Sexual and Reproductive Health services. It will be a programme driven by community insight and the combined knowledge and experience of key stakeholders,

4. Volunteer Services

Our volunteers remained at the heart of the Charity keeping us firmly rooted in the communities we serve. Our volunteers are key in sustaining and extending the reach of our services as volunteers are involved in every aspect of the life Charity from client facing activities through to our finance and facilities functions.

Volunteering also provided benefits to volunteers as illustrated from a survey of volunteers undertaken in the year:

- **100%** said that volunteering has made them feel that they have made a positive impact in their community.
- **98%** said that volunteering gives them a sense of purpose.
- **85%** said that volunteering helped them to have more social interactions.

We cannot achieve what we do without our volunteers and they remain central to our work. We are focusing on building up our volunteer team especially in areas where numbers have been reduced due to the pandemic.

In the coming year we will be continuing with our programme of recovery and reimagining. We will also start the process of developing our new 3 year strategy.



Pete McDonnell

Chair

31 October 2022

TRUSTEE REPORT***Trustees Responsibilities***

The Board of Trustees are pleased to present their annual report and the financial statements of the charity for the year ended 31 March 2022, 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, Head of Fundraising and Communications, Advice Services Manager, Prevention and Testing Manager and

Peer Support Manager as well as the Volunteer 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.

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. These committees have been in abeyance during the pandemic, but the governance has continued at a similar level at the full board on a more frequent basis.

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 were processed through the trading company subsidiary of Purple People Enterprises. However, since the level of income from these activities at the moment is such that the trading company will be maintained but left dormant. This will change as 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 during the pandemic have been increased and taken place most months, virtually, in the absence of the committee meetings. In the middle of 2021, the sub-committees supporting the main board quarterly have been restarted.

The members of the Board of Trustees as at 31 March 2022, all of whom held office throughout the year, unless otherwise stated, were as follows: -

Peter McDonnell (Chair)
Graham Stoner (resigned January 2022)
Marigold Chirisa
Ravi Ravindran
Rebecca Wilkins
Sarah Shearer
Mike Burnham
Tony Parker (resigned in July 2021)
Selin Yurdakul
Michelle Weston
Kirsty Cornell (appointed February 2021)

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 2022. 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.

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

Strategic Objectives

In practical terms the Charity developed a 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

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'

Activities and the impact of the work delivered are covered in the Chair's report which starts on page 5.

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 pandemic coming on top of the damage inflicted from the Brexit implementation.

The current level of free reserves (defined as being unrestricted reserves less tangible fixed assets) is £492,774 (2021 £455,008) after posting a surplus of £57,447 which includes a £6,565 in unrealised investment gains in the recently completed financial year ended 31 March 2022.

With planned budgeted operational spend of just over £1.5 million in 2021/22 or around £130,000 per month this means the charity has nearly four months of free reserves. This is still below what the charity has set for its reserves and the Trustees have renewed their commitment to achieve an increase in reserves to a position in which the Charity feels more comfortable. A target to increase, consistently over the foreseeable future, by running surpluses was agreed by the trustees. The aim being some £25-35,000 per annum, funding dependent which will help to increase the free reserve to at least 4.5 months of running costs. The year under review saw the charity continue to build the buffer 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 2022 we checked that the business interruption aspects of the insurance policy to ensure it remains sufficient to meet the needs of the charity. Indeed, the cover remains adequate and covers the additional spend from any temporary relocation required.

Finally, the Health and Safety Group continues to monitor and manage all physical risks to the organization. The Group continues to work through the physical risks to the charity and, reporting their findings through the People and Services Committee to the board to keep ahead of the problem. The pandemic has meant that the work of the committee has been expanded to cover covid secure working and a number of additional protocols have been added to ensure that the staff, service users and visitors are as risk free of contracting the virus on-site as possible. This has included bubbles, signage, enhanced cleaning, face coverings and more.

The external threats. The charity continues to use a more comprehensive risk management process – the Operational Business Continuity process. This involves defining and monitoring specific risks with predefined responses and detailed steps to avoid financial insolvency. This is in addition to the Business Continuity Plan. Finally, the charity is pursuing the increased use of the people living with HIV 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 22. They show that the income was up £164,079 from the previous year at just over £1.59 million. On the other side, the expenditure was also up but this time by £175,536 from £1.3 million up to £1.5 million. Resulting in a surplus of £57,447.

The reason for the income and expenditure being up was most of the charity's activities return to normal as before the pandemic but in a new hybrid environment. The surplus was the result of an operational surplus of £50,882 and an unrealised investment gain of £6,565. Note the investments are held for the access to dividend interest of 3.25% against lower interest currently offered on deposits. The surplus is not considered a part of the general reserves but rather as a buffer against future market movements.

Fixed Assets.

Details of the movement in fixed assets are in note 12 to the financial statements.

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. Surplus money are placed in both deposit account as well as liquid CCLA investment product.

The year saw interest/ dividend income of £16,185 (2021 £7,608) 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 have held some £116,571 in investments over the period, earned some £16,185 and have an unrealised gain on the books at financial year end of over £6,565 to hold as a buffer against future market downturns.

A. Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Positive East for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

B. Auditors

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

C. Disclosure of information to auditors

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

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

Approved by the Board of trustees on 31st October 2022 and signed on its behalf by



Peter 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 2022 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 2022 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 charity 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

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.

Use of this report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

M J Bushell.

Corné von Wielligh ACA (Senior Statutory Auditor)
for and on behalf of M J Bushell Ltd
Chartered Accountants
Statutory Auditor

31.10.2022

8 High Street
Brentwood
Essex
CM14 4AB

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
for the year ended 31st March 2022

INCOME AND ENDOWMENTS FROM:	Notes	2021-2022			2020-2021		
		Unrestricted Funds £	Restricted Funds £	Year ended 31 March 2022 £	Unrestricted Funds £	Restricted Funds £	Year ended 31 March 2021 £
Donations and legacies							
1. Grants received from core activities	3	128,872	287,128	416,000	29,176	330,033	359,209
2. Donations and legacies	4	45,270	-	45,270	32,780	-	32,780
Charitable activities							
1. Performance related grants	5	-	976,243	976,243	-	878,390	878,390
Earned from other activities							
1. Other trading activities	6	125,984	-	125,984	101,802	-	101,802
2. Commercial trading operations		4,068		4,068	3,780		3,780
Investment and Other income							
1. Investment income	7	22,750	-	22,750	50,274	-	50,274
Total Income and Endowments		326,944	1,263,371	1,590,315	217,813	1,208,423	1,426,236
EXPENDITURE:							
Cost of raising funds							
1. Fundraising costs	8	247,566		247,566	192,752		192,752
2. Trading costs		4,062		4,062	5,145		5,145
Expenditure on Charitable activities							
1. HIV Testing and Prevention services	8		535,004	535,004		418,083	418,083
2. Advice	8		279,922	279,922		274,355	274,355
3. Peer Supports and Counselling services	8		466,314	466,314		466,997	466,997
Total Expenditure		251,628	1,281,240	1,532,868	197,897	1,159,435	1,357,332
Net income/(expenditure)		75,316	(17,869)	57,447	19,916	48,988	68,903
Transfers between funds		(17,869)	17,869	-	48,988	(48,988)	-
Net movement in funds		57,447	-	57,447	68,903	-	68,903
Reconciliation funds:							
Total fund brought forward		518,385		518,385	449,481		449,481
Total Fund carried forward		575,832	-	575,832	518,385	-	518,385
Net income for the year attributable to non-controlling interests		2			174		

CONSOLIDATED AND PARENT CHARITABLE COMPANY BALANCE SHEETS**as of 31st March 2022**

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Non Current Assets					
Tangible Assets	12	83,058	63,593	83,058	63,593
Intangible Assets		2,300	3,066	-	
Investment	13	116,571	251,558	116,571	251,558
Total fixed assets		201,929	318,216	199,629	315,151
Current Assets					
Stock of finished goods		196	547	-	-
Debtors	14	188,097	95,541	188,502	95,521
Cash at bank and in hand		796,978	656,849	796,170	656,399
		985,271	752,938	984,672	751,921
Creditors: amount falling due within one year	15	611,368	552,769	608,289	548,500
Net current assets		373,903	200,168	376,383	203,421
Net assets		575,832	518,385	576,012	518,571
Funds					
Restricted funds	16a	-	-	-	-
Unrestricted funds:					
- General Funds	16b	569,091	475,544	569,447	475,905
- Designated		6,565	42,666	6,565	42,666
- Attributable to non controlling interest		176	174	-	
	17	575,832	518,385	576,012	518,571

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 31st of October 2022 and are signed on its behalf by:



Peter McDonnell
Chair



Ravi Ravindran
Treasurer and Vice Chair

STATEMENT OF CONSOLIDATED CASH FLOWS**for the year ended 31st March 2022**

	Note	2022	2021
Cash flows from operating activities	20		
Cash generated from/(absorbed by) operations		172,048	351,931
Cash flows from investing activities			
Interest received		16,185	7,608
Purchase of tangible fixed assets		(48,104)	(22,713)
Purchase/ Sale of investments		-	(3,832)
Net cash generated from/(used in) investing activities		<u>(31,919)</u>	<u>(18,937)</u>
Net increase/(decrease) in cash and cash equivalents		140,129	332,993
Cash and cash equivalents at beginning of year		<u>656,849</u>	<u>323,856</u>
Cash and cash equivalents at end of year		<u><u>796,978</u></u>	<u><u>656,849</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2022**

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 majority owned non-charitable subsidiary The Chilli Pig (70% owned) but does not include its trading company Purple People Enterprises Limited as it is now dormant, 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 group 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.

1.5 Incoming resources

Income is recognised when the group 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 group 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 group 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 group 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 group;
- Other income funds are those which are generated by specific and deliberate actions of the employees and others in furtherance of the group'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 group 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 group wide nature. It also includes the costs of senior management involved in fundraising.
- **HIV Testing and 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.
- **Advice.** The expenditure in this area is again overwhelmingly the employment costs of the workers involved in providing the services.

- **Peer Support and Counselling Services.** This subheading includes the Gay Mens services, African Services, Counselling and Volunteering. African Services includes the cost of running a substantial number of support groups and includes food as well as crèche and other related costs. The Gay Man Services includes the cost of service awareness and promotion. The counselling services provided by both staff and an increasing number of volunteers is included here. Finally it includes Volunteer and costs associated 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.

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	-	33% straight line
• Gym equipment	-	10% straight line

Note: The leasehold improvements is depreciated at an accelerated rate, changed from 5% to 33% as the desire to move out of the existing site remains a strategic objective

1.8 Impairment of fixed assets

At each reporting end date, the group 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.

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 group 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.

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 group 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

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 group'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.

3 Grant receivable for Core activities

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
City Bridge Trust - GMI		98,000	98,000		52,000	52,000
FCSC	12,000		12,000	-		-
GILEAD - Red Run	20,000		20,000	-		-
VIIV - Red Run	20,000		20,000	-		-
City Bridge Trust - Reassure		19,050	19,050	-	18,433	18,433
VIIV	14,372		14,372	-		-
Wandworths	10,000		10,000	-		-
GILEAD - Covid 19		9,000	9,000	-	6,000	6,000
GILEAD - HIV Islam	-		-	5,226		5,226
Garfield Weston	30,000		30,000	-		-
Award for all	-		-	8,950		8,950
East End Community Foundation	10,000		10,000	10,000		10,000
MCKS	12,500		12,500	-		-
MAC AIDS		40,000	40,000		65,000	65,000
Big Lottery - Volunteering in Positive East (VIP)		106,078	106,078		101,056	101,056
Big Lottery - Covid 19		-	-		87,544	87,544
Pilgrim		15,000	15,000		-	-
Trust 1961				5,000		5,000
	128,872	287,128	416,000	29,176	330,033	359,209

4 Donation and Legacies

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Donations	45,270		45,270	32,780	-	32,780

5 Performance related grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Pan London GMI		64,010	64,010		27,000	27,000
PHE Innovate		31,013	31,013		27,181	27,181
HPE African		16,374	16,374		4,587	4,587
HPE MSM		2,060	2,060		3,641	3,641
EJAF		14,110	14,110		-	-
Fast Track Cities Bus		26,342	26,342		11,100	11,100
LB Barking & Dagenham and Havering		74,964	74,964		74,964	74,964
LB Hackney		98,000	98,000		98,220	98,220
LB Newham		100,000	100,000		100,000	100,000
LB Redbridge		157,256	157,256		156,996	156,996
LB Tower Hamlets		205,806	205,806		234,830	234,830
LB Waltham Forest		70,849	70,849		70,849	70,849
Age UK (Formerly REAL IAA)		14,059	14,059		17,322	17,322
Homerton Hospital		4,000	4,000		-	-
Fast Track Cities Wellbeing		50,000	50,000		5,500	5,500
Henry Smith		47,400	47,400		36,300	36,300
CBT Remind		-	-		9,900	9,900
	-	976,243	976,243	-	878,390	878,390

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Fundraising events	99,994		99,994	52,276		52,276
MAST - income from letting arrangements for property	14,500		14,500	14,500		14,500
Other income	11,490		11,490	35,026		35,026
	125,984	-	125,984	101,802	-	101,802

7 Investment Income

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Interest	16,185		16,185	7,608		7,608
Revaluation of CCLA investment at fair value at 31.03.212	6,565		6,565	42,666		42,666
	22,750	-	22,750	50,274	-	50,274

8 Total resources expended

	Fundraising	HIV Testing and Prevention services	Advice	Peer supports and Counselling	Trading	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff Costs (Note 10)	169	368	214	290	-	1,040	954
Direct costs (Non Staff)	35	72	11	102	4	220	163
Overhead	24	52	30	41	-	147	126
Infrastruture	20	43	25	34	-	122	115
Total Resources Expended	248	535	280	466	4	1,533	1,357

9. Net income/(expenditure)

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

- Staff Costs
- Depreciation - owned assets
- Professional Indemnity liability
- Auditors' remuneration

2022 £	2021 £
1,040,176	954,028
26,388	20,498
4,147	4,741
8,000	5,833
<u>1,078,711</u>	<u>985,100</u>

10 Staff costs

Total employment costs were:

Wage and salaries
Social security costs
Pension costs

2022 £	2021 £
876,888	808,654
83,500	73,727
79,788	71,647
1,040,176	954,028
4	3
7	5
4	4
6	5
5	6
26	23

FTE

- Fundraising
- Prevention
- Treatment and Care
- Social care
- Administration of the charity

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 (2021: none).

12 Tangible fixed assets

	Leasehold Improvements £	Other Leasehold £	Less Government Grant £	Furniture and Fittings £	Office Equipment £	Computer Equipment £	Gym Equipment £	Total 2022 £	Total 2021 £
Historical costs									
At 1st April 2021	596,721	151,338	(280,000)	37,236	29,767	169,705	6,516	711,283	689,124
• Reclassification	-	-	-	-	-	13,887	-	48,104	22,158
• Additions	-	34,217	-	-	-	-	-	-	-
• Disposals	-	-	-	-	-	-	-	-	-
At 31st March 2022	596,721	185,555	(280,000)	37,236	29,767	183,592	6,516	759,387	711,282
Depreciation									
At 1st April 2021	596,721	116,645	(280,000)	37,236	27,517	145,281	4,291	647,691	627,191
• Reclassification	-	-	-	-	-	-	-	-	-
• Charge for the year	-	11,062	-	-	2,250	14,676	650	28,638	20,498
• Disposals	-	-	-	-	-	-	-	-	-
At 31st March 2022	596,721	127,707	(280,000)	37,236	29,767	159,957	4,941	676,329	647,689
Net book value									
At 31st March 2021	-	54,419	-	450	12,050	2,715	4,181		63,593
At 31st March 2022	-	57,848	-	-	-	23,635	1,575	83,058	

13 Fixed asset investments

Subsidiaries

Positive East has 2 subsidiaries.

1. Historically, a wholly owned trading arm in the name of 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 were paid to the group by gift aid.

Historically, we applied for and obtained funding from both the Big Lottery and City Bridge Trust some years ago which enabled us to breath fresh life into the mindfulness programme and has been used to deliver mindfulness services at a renowned rating agency Standard & Poor.

In 2020, we moved the mindfulness and café activities back within the charity itself and the trading company is now dormant. This makes for a simpler accounting and legal arrangement and save monies whilst leaving the option open if we scale up to reopen the trading arm.

2. The second subsidiary is a 70% owned organic food manufacturing and distribution arm. The Chilli Pig Ltd, a company incorporated and registered in England and Wales (Registration No. 07602054). Positive East has owned a small share for a number of years but in the financial period (2020/21) it became the majority owner.

13b. Investments. The charity holds a portion of its liquid assets in CCLA investments. These are held to gain access to some return in the absence of any interest on deposits. Deposits currently earn less than a 1/10 of 1% whilst the investments bring in 3.25%

The charity made in excess of £15,000 in gains on these investments in the year under review but holds this surplus as a reserve against future volatility. This is the reason for holding the value separate on the Balance sheet.

Listed investments
Unlisted investments

Group		Charity	
2022	2021	2022	2021
		£	£
116,571	251,558	116,571	251,558
	-	-	-
116,571	251,558	116,571	251,558

14 Debtors

	Group		Charity	
Grants Receivable:	2022	2021	2022	2021
	£	£	£	£
All East	57,962	7,380	57,962	7,360
Interbanks	3,750	-	3,750	-
London Borough of Redbridge	43,558	-	43,558	-
NEL CSU	49,795	-	49,795	-
London Borough of Tower Hamlets		70,449	-	70,449
London Borough of Waltham Forest	17,712	17,712	17,712	17,712
	172,777	95,541	172,777	95,521
Other Debtors	5,541	-	5,947	-
Prepayments	4,818	-	4,817	-
VAT receivable from HMRC	4,961	-	4,961	-
Total	188,097	95,541	188,502	95,521

15 Creditors: amount falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade Creditors	67,625	7,707	67,625	7,707
Other Creditors	10,902	11,613	7,823	7,344
Taxation and social security	21,484	22,318	21,484	22,318
Accruals	59,618	53,752	59,618	53,752
Deferred income	451,739	456,949	451,739	456,949
VAT payable to HMRC	-	430	-	430
	611,368	552,769	608,289	548,500

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 2022) then a value representing the portion remaining unmet is deferred until the future.

At 31st March 2022, a total of £451,739 (2021 the equivalent was £456,949) was rolled over to the future. Included in this year's total is an amount of £166k from Fast Track city contract.

16 Funds**16a Restricted funds**

	Brought Forward	Income	Expenditure	Carried Forward
	£	£	£	£
City Bridge Trust - GMI		98,000	98,000	
City Bridge Trust - Reassure		19,050	19,050	
Pan London GMI		64,010	64,010	
PHE Innovate		31,013	31,013	
HPE African		16,374	16,374	
HPE MSM		2,060	2,060	
EJAF		14,110	14,110	
Fast Track Cities Bus		26,342	26,342	
LB Barking & Dagenham and Havering		74,964	74,964	
LB Hackney		98,000	98,000	
LB Newham		100,000	100,000	
LB Redbridge		157,256	157,256	
LB Tower Hamlets		205,806	205,806	
LB Waltham Forest		70,849	70,849	
Age UK (Formerly REAL IAA)		14,059	14,059	
Homerton Hospital		4,000	4,000	
Fast Track Cities Wellbeing		50,000	50,000	
Henry Smith		47,400	47,400	
MAC AIDS		40,000	40,000	
Big Lottery - Volunteering in Positive East (VIP)		106,078	106,078	
Pilgrim		15,000	15,000	
GILEAD - Covid 19		9,000	9,000	
		<u>1,263,371</u>	<u>1,263,371</u>	

16b Unrestricted Funds

	Brought forward	Income	Expenditure	Carried Forward
	£	£	£	£
General Fund	475,544	363,044	269,497	569,091

17 Analysis of net assets between funds

	Unrestricted funds £	Restrict ed funds £	Total 2022 £	Total 2021 £
Tangible fixed assets	83,058	-	83,058	63,593
Intangible fixed assets	2,300	-	2,300	3,066
Investment	116,571	-	116,571	251,558
Cash at bank and in hand	796,978	-	796,978	656,849
Stock of Finished Goods	196	-	196	547
Other current assets	188,097	-	188,097	95,541
Current liabilities	(611,368)	-	(611,368)	(552,769)
	-	-	-	-
	<u>575,832</u>	<u>-</u>	<u>575,832</u>	<u>518,385</u>

18 Retirement benefit schemes**Defined contribution schemes**

The group 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 £79,788 (2021 £71,647).

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.

Transactions and balances with related parties

At the year end the charity was owed £425 (2021: £nil) by its subsidiary company, The Chilli Pig Ltd. No guarantees have been given or received.

20 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	57,447	68,903
Adjustments for:		
Investment income recognised in profit or loss	(16,185)	(7,608)
Movement in Investments	134,987	(42,666)
Depreciation and impairment of tangible fixed assets	28,638	20,498
Amortisation of Goodwills	776	776
Movements in working capital:		
Increase in debtors	(92,556)	9,083
Decrease in creditors	58,941	302,945
	<u> </u>	<u> </u>
Cash generated from/(absorbed by) operations	<u>172,048</u>	<u>351,931</u>