

POSITIVE EAST

Company Register No. 02546750

Charity Register No. 1001582

POSITIVE EAST

(A charitable company limited by guarantee)

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

FOR THE YEAR ENDED 31 MARCH 2023

| CONTENTS | PAGE |
|-----------------------------------|------|
| REFERENCE AND ADMINISTRATION | 3 |
| CHAIR’S REPORT | 5 |
| TRUSTEE REPORT | 11 |
| INDEPENDENT AUDITORS’ REPORT | 20 |
| STATEMENT OF FINANCIAL ACTIVITIES | 24 |
| CHARITABLE COMPANY BALANCE SHEET | 25 |
| STATEMENT OF CASHFLOW | 26 |
| NOTES TO THE FINANCIAL STATEMENTS | 27 |

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****REFERENCE AND ADMINISTRATION****BOARD OF TRUSTEES AND ADVISORS****Patrons**

Lord Collins of Highbury

Rina Sawaya

Dominic Skinner

Board of Trustees

Sarah Malcolm Shearer +* (elected Chair October 2022)

Rebecca Wilkins+ (elected Deputy Chair October 2022)

Devina Paul * (elected Treasurer March 2023)

Marigold Chirisa + (Resigned July 2022)

Peter McDonnell +*(Resigned as Chair October 2022 & Trustee December 2022)

Ravi Ravindran *(Resigned March 2023)

Mike Burnham *

Ade Fakoya + (appointed October 2022)

David Wood * (appointed January 2023)

Yasmin Dunkley + (appointed February 2023)

* 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

PO Box 7193

Planetary Road

Willenhall

WV1 9DG

POSITIVE EAST

Company Register No. 02546750

Charity Register No. 1001582

Solicitors (Probono)

CMS Cameron McKenna Naborro Olswang LLP
Cannon Place, 78 Cannon Street
London EC4N 6AF

Solicitors

Russell Cooke
2 Putney Hill
London
SW15 6AB

Auditors

M J Bushell Audit LLP
8 High Street
Brentwood
Essex CM14 4AB

Company registration number

02546750

Registered charity number

1001582

THE CHAIR'S REPORT

This is my first time presenting this report as the new Chair of the Positive East Trustee Board. I was deeply honoured to be elected to this role in October 2022 and would like to place on record the thanks from the whole Charity to my predecessor Pete McDonnell. I and our Trustee team are very proud of the staff and volunteers at the Charity and are so impressed at the positive difference that the Charity makes in the lives of so many people. This last financial year is no exception.

Key themes of this last year have been challenge, community and change.

Challenge

We are facing into the dual challenges of the cost of living crisis and health inequity.

The cost of living crisis has presented a real difficulty for the lives of a significant minority of people living with HIV (the majority of people we support). This has further exacerbated the already too many factors that negatively impact such as HIV related stigma, poor housing, poverty, immigration control, poor mental health, social isolation, loneliness other health related co-morbidities.

This challenge has been most keenly felt in our advice service where we have seen an over 25% rise (on the previous year) in the number of client cases. We have seen an increase in the number of clients faced with homelessness, debt, immigration issues and needing our support to gain the ill health and disability benefits to which they are entitled.

Our Advice Quality Standard (AQS) accredited advice service, delivering advice, casework and advocacy on a range of social welfare law issues (e.g. ill health and disability benefits and housing) continues to play an invaluable role in ensuring that people living with HIV have the solid platform on which to build and maintain their health and wellbeing.

James' story is one such example:

James is a young gay man in his 20s who is living with HIV and also has severe mental health issues. He became street homeless, and his physical health also deteriorated. James' Local Council placed him in a temporary accommodation hostel where he was harassed and threatened by other residents. James was terrified and fled the property and stayed on the street for 10 days before he approached us. We advocated on his behalf to the Local Council to provide him with alternate Temporary Accommodation which they agreed. Whilst he was waiting, we provided him with a hot meal, discussed other services he would may like to access. Unfortunately, the Council did not get back to him and we chased their out of hours services. The out of hours service advised that they had no knowledge of his case and refused to house him. We paid for a night in a B&B and the next day got

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

the Council to rehouse him. We also found out that James had not been taking his HIV medication as he had left it all in the hostel when he fled. We spoke with his HIV clinic and arranged for James to get an emergency prescription.

Challenges caused by health inequities.

There has been much good news in HIV prevention. We have seen significant reductions in new HIV diagnosis. We have all the necessary tools of HIV Testing, Post exposure Prophylaxis (PEP), Pre Exposure Prophylaxis (PrEP), Treatment as Prevention (TasP), and condoms to achieve the goal of ending new HIV transmissions by 2030. However, we recognize the challenge that not all communities and groups have benefited equally, and that women and people from global majority communities e.g., African Communities are disproportionately impacted. The Charity has longstanding relationships of trust with such communities and therefore is well placed to make a contribution to ensure that no group or community is left behind and ensure that any success over HIV will be an inclusive one.

A central strand of our response has been our community based prevention model, which involves affected communities in its delivery, building in cultural competence into our approach, taking STI and HIV testing out to where communities live their lives. It is core to our strategy of reaching people from minoritized groups and communities disproportionately impacted by both HIV and STIs. Over the course of the last financial year, we undertook 2214 tests. These were opportunities for discussion with people about their sexual health linking people with an HIV reactive result within 48 working hours with a fast track appointment at an HIV clinic to have a confirmatory blood test and access to care. It also means for those with a negative result exploring how a person with a negative result can stay HIV negative e.g., referring for access to PrEP.

We also use a 'Make Every Contact Count' approach which means our interventions may surface needs about substance misuse, domestic abuse which we then support people to access appropriate services to address their needs.

Building community capability and capacity is also a golden thread that runs through our prevention work. This year our Women 4 Women PrEP Equity project was a great exemplar of this approach. The project, working with Barts Health and Queen Mary's University London (QMUL), trained up women from African and African Caribbean backgrounds to be sexual health champions. Our Sexual Health Champions developed plans to take out their knowledge about PrEP, HIV & sexual and reproductive health into their community and social networks. The women also gathered community insight describing barriers to accessing services and how services should be shaped and delivered for women. This work was supported by 3 community researchers that we employed and who were trained by QMUL and ourselves to undertake interviews and focus groups building on the understanding. This work resulted in the creation of a film co-produced with the women involved in the project promoting PrEP uptake and a report with recommendations for service commissioners and providers.

Our greatest strengths are being rooted in and having relationships of trust with the communities affected by HIV in East London. It is also our belief that involving and moreover supporting communities to lead in meeting the challenge that HIV presents us today is critical to achieve the 2030 targets. As such, as illustrated above, our communities will be shaping our work going forward.

Community

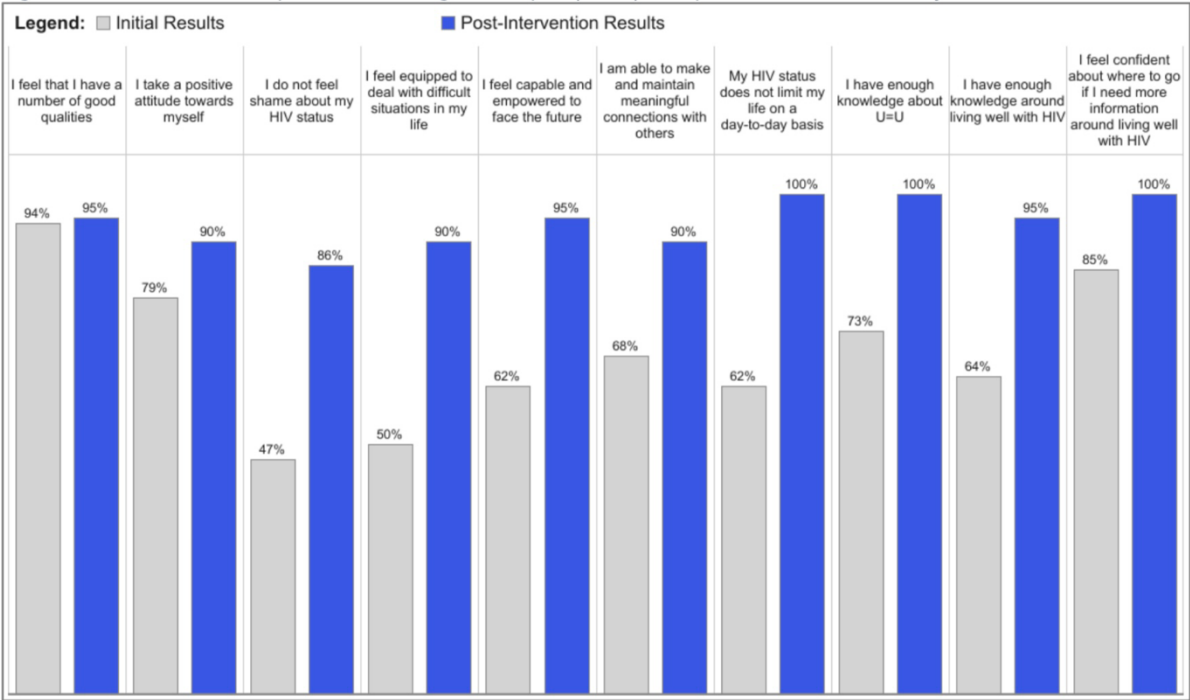
Empowering and supporting the individuals and communities living with HIV has always been at the heart of our work. Tackling social isolation, stigma and loneliness has remained a key focus as we adjust to the post-Covid "new normal".

Our HIV support services have always played an important role in enabling people living with HIV to live full and healthy lives. We strengthened our offer through creating a new Health and Wellbeing Team, bringing together the different elements of our HIV support services (Counselling, Psychology and Peer Support) to maximise the benefit to our clients. Led by a new post the Head of Health and Wellbeing we believe that this new approach will enable us to realise the synergies of the different aspects of the service with a better impact and outcomes for our clients.

Some of the highlights of the work this year include:

Support Groups – We have reinvigorated our support groups now once again all delivered in-person. We have expanded the range of activities that have been undertaken, informed by client views, with the ambition of reaching the widest possible audience.

Stigma Empowerment Programme – We were successful in becoming part of the Fast Track Cities Initiative Stigma Empowerment Collaborative. We helped develop the London Empowerment Programme Framework (<https://fasttrackcities.london/a-guide-to-tackling-internalised-stigma-for-people-with-hiv/>) which is a guide to running programmes addressing internalised HIV Stigma. Following its development, we were successful in gaining funding to deliver a series of short courses, for people living with HIV, over a year addressing internalised HIV stigma. Our courses were well attended, and valued by participants and made a positive change in their lives and their relationship with HIV. This change can be seen the graph below (taken from the FTCTI evaluation report of the whole programme) which is based on pre and post course questionnaire that all participants completed and demonstrates some significant changes for people as a result of attending the course.



Dance into Spring – We ran a series of dance classes for women living with HIV creating a space where people could meet, exercise in a fun way, build self-esteem, confidence and have some fun in an environment where there would be no judgement. The programme was led by our psychologist.

Summer Party – We started a new tradition of having a client summer party. This felt a really important activity as it was the first big in-person event we had held since the height of COVID. We felt it was really important to be able to invite clients to our centre for a celebration and use it as an opportunity to get feedback and ideas for what people would like to see and promote existing services. We had a children’s entertainer, fayre ground games, and over 80 adults and 30 children and young people attended. It was a great event much appreciated by our clients which generated a lot of very helpful feedback.

Stitch Sisters – Women involved with our ReAssure programme (a project for migrant women living with HIV who have experienced trauma) highlighted that they would like to have skills-based learning workshops. One of the suggestions was a project where people would learn to make clothing. We were successful with the National Lottery Community Fund Awards for all and as such were able to deliver a series of dress making workshops. The participants supported by a tutor and using sewing machines we hire in for the occasion all made a garment e.g., dresses, shorts, or tops that they could wear. We held a fashion show with a catwalk at the end of the project to celebrate the women and their achievements. Whilst centred on learning a new skill the project also addressed social isolation, building confidence and self-esteem of the women who were involved. The project participants were involved in an evaluation which demonstrated its impact, and we were invited to do poster

presentations at the British HIV Association Conference in Gateshead and the AIDS impact Conference in Stockholm.

Drama Workshops – We were delighted to work with playwright, actor and director Brian Mullin who ran a series of drama-based workshops with our clients called 'Express Yourself'. The pieces created by our clients were performed at the opening night of Brian's show 'Live to Tell' at the Camden People's Theatre which was followed by a panel discussion involving participants. An anthology of the writing was created, and an exhibition was held at the theatre and our offices in Stepney. It's clear that using drama, spoken and written word is a powerful tool for our clients to work through issues build confidence and self-esteem and have therefore planned more such activities in the coming year.

Change

It continues to be a period of change at the Charity. As we detail in the Trustees report below, as well as myself being a newly elected Chair, we also elected a new Deputy Chair (Rebecca Wilkins) and Treasurer (Devina Paul). Our Chair Pete McDonnell, as mentioned above, and Treasurer Ravi Ravindran stood down after many years of excellent service to the Charity and we welcomed three new Trustees to the board.

We also took the opportunity, as mentioned above, to change the way we structure our HIV support services. This was to reflect the changing needs of people living with HIV placing the focus of the service through a health and wellbeing lens. We created a new team bringing together our Peer Support Coordinators, Counselling Service Coordinator and Psychologist into a single Health and Wellbeing Team. We believe through this team we can realise the synergies of the different disciplines maximising the benefit for our clients. We created a new post, Head of Health and Wellbeing to lead the team.

It has been a time of exploration at the Charity as we have spent time reflecting on our Vision and discussing whether it still represented our central ambition as a Charity. Times have very much changed since we last updated it. The view we took was that it did not fully encapsulate our current position and so have changed it to become:

We are working towards a time when:

- People living with HIV can live full and healthy lives free from stigma and discrimination
- There are no new HIV transmissions
- No group or community is left behind as we strive to end inequality and inequity in health
- Good sexual health is realised for all

POSITIVE EAST

Company Register No. 02546750

Charity Register No. 1001582

We also took the decision to develop our first post-covid strategy. The collaborative process between the Trustees and Leadership Team involved getting input from our clients, staff and key stakeholders, reviewing data, policy and emerging themes.

The strategy will be finalised in the new financial year but will take into account the changing needs and resource environment of the individuals and communities we serve. We remain committed to achieving the best for the individuals and communities we serve in our journey towards our mission.

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****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 2023, 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 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, Head of Fundraising and Communications, Head Health & Wellbeing (created in October 2022), Advice Services Manager, Health of Prevention and Testing Manager and Volunteer Manager reflecting the services offered by Positive East and the continued shift towards community based empowerment through volunteering.

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

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.

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.

The members of the Board of Trustees as at 31 March 2023, all of whom held office throughout the year, unless otherwise stated, were as follows: -

Peter McDonnell (Chair till October 2022 & resigned as a Trustee December 2022)

Marigold Chirisa (resigned July 2022)

Ravi Ravindran (resigned as Treasurer & Trustee March 2023)

Rebecca Wilkins (Deputy Chair from October 2022)

Sarah Shearer (Chair from October 2022)

Mike Burnham

Selin Yurdakul

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

Michelle Weston

Kirsty Cornell

Devina Paul (Treasurer from March 2023)

Ade Fakoya (appointed October 2022)

David Wood (appointed January 2023)

Yasmin Dunkley (appointed February 2023)

We have detailed elsewhere that this year we elected new honorary officers. Our new Chair is Sarah Malcolm, our Deputy Chair Rebecca Wilkins and Treasurer Devina Paul.

In addition to our Chair and Treasurer a long standing Trustee Marigold Chirisa stood down this year. We are very grateful to her for contribution to the work of the Charity and glad she will remain a friend of the organisation.

We were delighted to be joined by new Trustees and are delighted at the calibre of people we continue to be able to have recruited to this critical role.

The new officers prompted us to undertake a review of the Charity governing document.

This process revealed that over the last few years a number of Trustees had exceeded their terms of office as set out within our Governing Documents. More specifically at end of February there were 4 serving Trustees out of the 11 with a tenure beyond 6 years and 3 with a tenure beyond 9 years. At the close of the financial year we had almost come back into compliance with our governing document. We now only have one Trustee who has exceeded their term limit.

It is the view of Trustees that there was no detriment to the Charity as a result of this situation. In fact, maintaining the Board during the COVID pandemic was advantageous to the interests of the Charity ensuring continuity and consistency during a period of otherwise significant national upheaval.

Trustees are committed to getting back into compliance with the Charity's Governing document and as such have decided to retain term limits but as a policy, rather than contained within our memorandum and articles of association. This new policy will also provide for the opportunity to on occasion make exceptions to extend. However this will require a proactive decision. The intention is to make these changes within the next financial year.

More generally from a governance perspective Trustees have committed, within our developing strategy to:

- Agreeing a strategic aim for the Charity to assess our governance processes against of good governance practice and address any gaps.

- At least annually review and re-familiarise themselves with the governing document.
- Ensure Trustees review the governing document as part of their induction process.

As detailed above and in the section below a lot of Trustee time has been focused on the development of a new Strategy. This work has already seen the development of a new Vision as detailed above. In the period for this report Trustees have set out the framework for the Charity's strategy within the context of 4 strategic objectives for which there is further detail below. The development of the new strategy will remain a key area of focus of Trustees in the new financial year.

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 2023. 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 we have detailed earlier in the Chair's report about services provided

Strategic Objectives

The Charity has started a process this year to develop our first 3 year Strategy since before COVID. The strategy will be completed in the new financial year. To date Trustees have agreed 4 strategic objectives, detailed below:

1. Improving the quality of life for people living with HIV

We will provide a holistic range of services that enable people living with HIV to promote their health & wellbeing, support self-management, and to gain and sustain their independence.

2. HIV Prevention, making our contribution to getting to zero and ensuring good sexual health for all

Empower individuals and communities that are minoritised and disproportionately carry the burden of HIV and STIs, to have good sexual health and wellbeing, have pleasurable sexual experiences, free of coercion, discrimination and violence. Achieving this through delivering community-based HIV and sexual health testing, taking services to where communities live and live their lives. Addressing barriers for communities in accessing services through training provision and ensuring a culturally competent offer through community insight and implementing evidence-informed practice. Ensuring our service offer is flexible and responsive to individual need.

3. Influencing, Leadership & Advocacy

We document & share learning, influence policy development, advocate for service development and improvement, provide leadership for positive change and always ensure the voice of people living with HIV is heard loud and clear in those discussions.

4. Sustaining our Future

We will ensure the Charity is sustainable and resilient. We see our staff and volunteers as key enablers to achieving our vision and look to create an environment where they can thrive and contribute productively towards our objectives.

Positive East Vision

We agreed a new Vision working within the context of our Charitable Objectives

We are working towards a time when:

- People living with HIV can live full and healthy lives free from stigma and discrimination
- There are no new HIV transmissions.
- No group or community is left behind as we strive to end inequality and inequity in health
- Good sexual health is realised for all.

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 above.

Reserves Policy

The charity's board and management, following guidance from the Charities Commission, strive to maintain sufficient reserves to cover the ongoing operational expenses. This practice is crucial in today's economic climate, given the persistently challenging conditions.

As of the end of the financial year on March 31, 2023, the charity holds current free reserves (defined as unrestricted reserves minus tangible fixed assets) amounting to £576,932, compared to £492,774 in 2022. This balance includes a surplus of £55,787, which incorporates a -£4,411 unrealized investment loss.

Considering a planned operational expenditure of slightly over £1.7 million for 2022/23, or approximately £145,000 per month, the charity currently possesses reserves equivalent to nearly four months of expenses. However, this falls short of the reserve target set by the charity, prompting the Trustees to reaffirm their commitment to increasing reserves to a more secure level. The Trustees have agreed on a target of consistently generating surpluses in the coming years, aiming for an annual increase of £25-35,000, subject to funding availability. This strategic approach will help elevate the free reserves to at least 4.5 months' worth of operational costs. Throughout the past year, the charity continued to diligently build its buffer in alignment with this 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. It 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

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

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 24. They show that the income was up £256,642 from the previous year at just over £1,842,889. On the other side, the expenditure was also up but this time by £258,296 from £1,528,806 up to £1,787,102. Resulting in a surplus of £55,787.

The increase in income results the success of the Charity in gaining funds for new projects and the strength of our fundraising team. A particular fundraising success is our Red Run. The Red Run started in 2009 with 50 runners and has now become one of the UKs largest community fundraising events having raised £875,000 for over 27 different HIV Charities since its inception. We are particularly proud of the Red Run London its brings together the HIV sector across London and further, it's a very public act of solidarity with the HIV community, and a clear challenge to HIV stigma.

Fixed Assets.

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

Investment powers

The charity's investment strategy is meticulously detailed in clause 3 (r) of the Memorandum of Association, providing a robust framework for deploying funds not immediately essential for fulfilling our core objectives. This prudent approach underscores our commitment to optimizing the utilization of surplus funds to generate robust returns.

In our pursuit of financial optimization, we employ a diversified allocation strategy, channelling surplus funds into both deposit accounts and a liquid CCLA investment product. This carefully balanced approach allows us to address our liquidity requirements while simultaneously harnessing the potential for superior returns on our investments.

During the fiscal year under scrutiny, our financial performance experienced a notable deviation, recording a loss of -£4,411 compared to a positive income of £6,565 in the preceding year (2022). This divergence was primarily attributed to market volatility, which had a significant impact on our investment portfolio. However, we still got a positive interest and dividend paid of £15,502 compared to £16,185 in 2022. It is important to note that this result is indicative of our ongoing collaboration with CCLA Investment Management Ltd (CCLA), where we strategically allocate our operational cash surplus. This deliberate choice stems from the prospect of achieving more attractive returns relative to traditional mainstream banking options.

In addition to our partnership with CCLA, we maintain our commitment to prudent financial stewardship by retaining a portion of our surplus cash in a CCLA investment product, totalling approximately £112,000 over the reporting period. This approach is in perfect alignment with our overarching long-term financial sustainability objectives and serves as a testament to our unwavering dedication to efficiently manage our resources to further advance our charitable mission.

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.

POSITIVE EAST

Company Register No. 02546750

Charity Register No. 1001582

B. Auditors

M J Bushell Audit LLP 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 11th December 2023 and signed on its behalf by



Sarah Malcolm Shearer

Chair



Devina Paul

Treasurer

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

INDEPENDENT AUDITORS' REPORT to the members of Positive East

Opinion

We have audited the financial statements of Positive East (the 'Charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standards 102 *The financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure 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.

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

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 course of 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.

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

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below;

Management override of controls

- Auditing the risk of management override of controls, including through testing journals entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Non compliance with laws and regulations

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation claims.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

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.

DocuSigned by:

929FC8BB5E544CB...

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

13 December 2023

8 High Street
Brentwood
Essex
CM14 4AB

POSITIVE EAST

Company Register No. 02546750

Charity Register No. 1001582

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st March 2023

INCOME AND ENDOWMENTS FROM Notes

| | | | 2022-2023 | | | 2021-2022 | | |
|---|---|--|-------------------------|-----------------------|-------------------------------------|-------------------------|-----------------------|-------------------------------------|
| | | | Unrestricted Funds £ | Restricted Funds £ | Year ended 31 March 2023 £ | Unrestricted Funds £ | Restricted Funds £ | Year ended 31 March 2022 £ |
| Donations and legacies | | | | | | | | |
| 1. Grants received from core activities | 3 | | 129,422 | 269,432 | 398,854 | 128,872 | 287,128 | 416,000 |
| 2. Donations and legacies | 4 | | 23,683 | - | 23,683 | 45,270 | - | 45,270 |
| Charitable activities | | | | | | | | |
| 1. Performance related grants | 5 | | - | 1,224,515 | 1,224,515 | - | 976,243 | 976,243 |
| Earned from other activities | | | | | | | | |
| 1. Other trading activities | 6 | | 184,746 | - | 184,746 | 125,984 | - | 125,984 |
| 2. Commercial trading operations | | | | | - | | | - |
| Investment and Other income | | | | | | | | |
| 1. Investment income | 7 | | 11,091 | - | 11,091 | 22,750 | - | 22,750 |
| Total Income and Endowments | | | 348,943 | 1,493,946 | 1,842,889 | 322,876 | 1,263,371 | 1,586,247 |
| | | | | | | | | |
| EXPENDITURE: | | | | | | | | |
| Cost of raising funds | | | | | | | | |
| 1. Fundraising costs | 8 | | 292,176 | | 292,176 | 247,566 | | 247,566 |
| 2. Trading costs | 8 | | | | - | | | - |
| Expenditure on Charitable activities | | | | | | | | |
| 1. HIV Testing and Prevention services | 8 | | | 681,388 | 681,388 | | 535,004 | 535,004 |
| 2. Advice | 8 | | | 287,916 | 287,916 | | 279,922 | 279,922 |
| 3. Peer Supports and Counselling service | 8 | | | 525,622 | 525,622 | | 466,314 | 466,314 |
| Total Expenditure | | | 292,176 | 1,494,926 | 1,787,102 | 247,566 | 1,281,240 | 1,528,806 |
| Net income/(expenditure) | | | 56,767 | (980) | 55,787 | 75,310 | (17,869) | 57,441 |
| Transfers between funds | | | (980) | 980 | - | (17,869) | 17,869 | - |
| Net movement in funds | | | 55,787 | - | 55,787 | 57,441 | - | 57,441 |
| Reconciliation funds: | | | | | | | | |
| Total fund brought forward | | | 576,012 | | 576,012 | 518,571 | | 518,571 |
| Total Fund carried forward | | | 631,799 | - | 631,799 | 576,012 | - | 576,012 |

POSITIVE EAST

Company Register No. 02546750

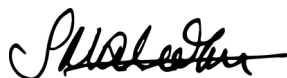
Charity Register No. 1001582

CHARITABLE COMPANY BALANCE SHEET
as of 31st March 2023

| | | Charity | |
|--|--------------|-------------------------|-----------------------|
| | | 2023 £ | 2022 £ |
| Non Current Assets | Notes | | |
| Tangible Assets | 12 | 54,867 | 83,058 |
| Intangible Assets | | | - |
| Investments | 13 | 112,159 | 116,571 |
| Total fixed assets | | <u>167,026</u> | <u>199,629</u> |
| Current Assets | | | |
| Debtors | 14 | 242,337 | 188,502 |
| Cash at bank and in hand | | 890,522 | 796,170 |
| | | <u>1,132,859</u> | <u>984,672</u> |
| Creditors: amount falling due within one year | 15 | 668,086 | 608,289 |
| Net current assets | | <u>464,773</u> | <u>376,383</u> |
| Net assets | | <u>631,799</u> | <u>576,012</u> |
| Funds | | | |
| Restricted funds | 16a | | |
| Unrestricted funds: | | | |
| - General Funds | 16b | 631,799 | 569,447 |
| - Designated | | - | 6,565 |
| | 17 | <u>631,799</u> | <u>576,012</u> |

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 11th December 2023 and are signed on their behalf by:



Sarah Malcolm Shearer
Chair



Devina Paul
Treasurer

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**
STATEMENT OF CASH FLOWS
for the year ended 31st March 2023

| | Note | 2023 | 2022 |
|---|-----------|-----------------------|-----------------------|
| Cash flows from operating activities | 20 | | |
| Cash generated from/(absorbed by) operations | | 79,672 | 172,048 |
| Cash flows from investing activities | | | |
| Interest received | | 15,502 | 16,185 |
| Purchase of tangible fixed assets | | (1,630) | (48,104) |
| Purchase/ Sale of investments | | - | - |
| Net cash generated from/(used in) investing activities | | <u>13,872</u> | <u>(31,919)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 93,544 | 140,129 |
| Cash and cash equivalents at beginning of year | | <u>796,978</u> | <u>656,849</u> |
| Cash and cash equivalents at end of year | | <u><u>890,522</u></u> | <u><u>796,978</u></u> |

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2023**

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 accounting

The financial statements include the results for the main charitable company only.

Within the structure of Positive East, there are two subsidiary entities:

- The Chilli Pig: This is a non-charitable subsidiary in which Positive East has a majority ownership of 70%. Notably, even though we hold a significant stake in The Chilli Pig, its accounts have

not been consolidated into the group accounts. This decision was made based on its immaterial nature, adhering to the guidelines set forth in FRS102, paragraph 9.9A.

- Purple People Enterprises Limited: This subsidiary is currently dormant.

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.

1.5 Incoming resources

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

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

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

All income arises in the United Kingdom.

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

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

1.6 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes attributable value added tax which cannot be recovered. Costs are allocated to the different activities as follows:

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

- **Costs of Generating funds** involves the spend associated with fundraising in the broadest sense. Therefore, it addresses the direct cost of staff employed in the fundraising function and associated other spend on volunteers and promotional materials of a charity wide nature. It also includes the costs of senior management involved in fundraising.
- **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 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.

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.

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 charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

Termination benefits are recognised immediately as an expense when the charity 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

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

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 Grants receivable from Core activities

| | Unrestricted funds | Restricted funds | Total 2023 | Unrestricted funds | Restricted funds | Total 2022 |
|---|---------------------------|-------------------------|-------------------|---------------------------|-------------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| National Lottery Community Fund - Award for All | 10,000 | | 10,000 | - | | - |
| Big Lottery - Volunteering in Positive East (VIP) | | - | - | | 106,078 | 106,078 |
| City Bridge Foundation - GMI | | 35,701 | 35,701 | | 98,000 | 98,000 |
| City Bridge Foundation - Advice | | 51,390 | 51,390 | | 19,050 | 19,050 |
| East End Community Foundation | - | | - | 10,000 | | 10,000 |
| FCSC | 18,000 | | 18,000 | 12,000 | | 12,000 |
| Garfield Weston | 30,000 | | 30,000 | 30,000 | | 30,000 |
| GILEAD - Covid 19 | | - | - | | 9,000 | 9,000 |
| GILEAD - HIV voices | | 21,028 | 21,028 | | | - |
| GILEAD - Monkey Pox | | 43,204 | 43,204 | | | - |
| GILEAD - Red Run | 20,000 | | 20,000 | 20,000 | | 20,000 |
| MAC AIDS | | 50,000 | 50,000 | | 40,000 | 40,000 |
| MCKS | - | | - | 12,500 | | 12,500 |
| Pilgrim | | 15,000 | 15,000 | | 15,000 | 15,000 |
| Royal Bank of Canada | 3,500 | | 3,500 | | | - |
| State Street Bank | 29,922 | | 29,922 | | | - |
| UK Health Agency - Monkey Pox | | 12,892 | 12,892 | | | - |
| University of Westminster | | 15,000 | 15,000 | | | - |
| VIIV | | - | - | 14,372 | | 14,372 |
| VIIV - Monkey Pox | | 25,217 | 25,217 | 20,000 | | 20,000 |
| Wandsworths OASIS | 18,000 | | 18,000 | 10,000 | | 10,000 |
| | 129,422 | 269,432 | 398,854 | 128,872 | 287,128 | 416,000 |

4 Donation and Legacies

| | Unrestricted funds | Restricted funds | Total 2023 | Unrestricted funds | Restricted funds | Total 2022 |
|-----------|---------------------------|-------------------------|-------------------|---------------------------|-------------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| Donations | 23,683 | - | 23,683 | 45,270 | - | 45,270 |

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****5 Performance related grants**

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Unrestricted funds £ | Restricted funds £ | Total 2022 £ |
|--|----------------------------|--------------------------|------------------|----------------------------|--------------------------|--------------------|
| Pan London GMI | | 54,000 | 54,000 | | 64,010 | 64,010 |
| PHE Innovate | | - | - | | 31,013 | 31,013 |
| HPE African | | 7,000 | 7,000 | | 16,374 | 16,374 |
| HPE MSM | | 35,887 | 35,887 | | 2,060 | 2,060 |
| EJAF | | 4,835 | 4,835 | | 14,110 | 14,110 |
| Fast Track Cities Bus | | 26,342 | 26,342 | | 26,342 | 26,342 |
| Barts Health NHS Trust - Women for Women | | 57,962 | 57,962 | | | - |
| LB Barking & Dagenham and Havering | | 74,964 | 74,964 | | 74,964 | 74,964 |
| LB Hackney | | 98,220 | 98,220 | | 98,000 | 98,000 |
| LB Newham | | 100,000 | 100,000 | | 100,000 | 100,000 |
| LB Redbridge | | 157,256 | 157,256 | | 157,256 | 157,256 |
| LB Tower Hamlets | | 200,000 | 200,000 | | 205,806 | 205,806 |
| LB Waltham Forest | | 70,849 | 70,849 | | 70,849 | 70,849 |
| Age UK (Formerly REAL IAA) | | 32,436 | 32,436 | | 14,059 | 14,059 |
| Homerton Hospital | | - | - | | 4,000 | 4,000 |
| Fast Track Cities Wellbeing | | 124,000 | 124,000 | | 50,000 | 50,000 |
| NHS North East London CSU- HIV Society Stigma | | 49,795 | 49,795 | | | |
| GILEAD - 40 @ 40 project | | 34,250 | 34,250 | | | |
| LB of Tower Hamlets and LB of Hackney - Monkey Pox | | 13,473 | 13,473 | | | |
| Hackney Communities project | | 16,646 | 16,646 | | | |
| The Henry Smith Charity | | 48,600 | 48,600 | | 47,400 | 47,400 |
| The Henry Smith Charity - Reassure | | 18,000 | 18,000 | | | |
| | - | 1,224,515 | 1,224,515 | - | 976,243 | 976,243 |

6 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Unrestricted funds £ | Restricted funds £ | Total 2022 £ |
|--|-------------------------|-----------------------|-----------------|-------------------------|-----------------------|-----------------|
| Fundraising events | 121,350 | | 121,350 | 99,994 | | 99,994 |
| MAST - income from letting arrangements for property | 60,000 | | 60,000 | 14,500 | | 14,500 |
| Other income | 3,396 | | 3,396 | 11,490 | | 11,490 |
| | 184,746 | - | 184,746 | 125,984 | - | 125,984 |

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****7 Investment Income**

Interest
Revaluation of CCLA
investment at fair value at
31.03.23

| Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Unrestricted funds £ | Restricted funds £ | Total 2022 £ |
|-------------------------|-----------------------|--------------------|-------------------------|-----------------------|--------------------|
| 15,502 | | 15,502 | 16,185 | | 16,185 |
| (4,411) | | (4,411) | 6,565 | | 6,565 |
| 11,091 | - | 11,091 | 22,750 | - | 22,750 |

8 Total resources expended

Staff Costs (Note 10)
Direct costs (Non Staff)
Overhead
Infrastrusture
Total Resources Expended

| Fundraising | HIV Testing and Prevention services | Advice | Peer supports and Counselling | Trading | Total 2023 | Total 2022 |
|-------------|--|------------|-------------------------------------|--------------|--------------|--------------|
| £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| 174 | 445 | 223 | 323 | - | 1,165 | 1,040 |
| 77 | 130 | 12 | 125 | - | 344 | 220 |
| 22 | 57 | 28 | 41 | - | 148 | 143 |
| 20 | 50 | 25 | 36 | - | 131 | 122 |
| 292 | 681 | 288 | 526 | 1,165 | 1,787 | 1,529 |

9. Net income/(expenditure)

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

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

| 2023 £ | 2022 £ |
|-------------------------|-------------------------|
| 1,164,526 | 1,040,176 |
| 29,321 | 26,388 |
| 7,368 | 4,147 |
| 5,013 | 8,000 |
| <u>1,206,229</u> | <u>1,078,711</u> |

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

Wage and salaries
Social security costs
Pension costs

| 2023 £ | 2022 £ |
|-------------------------|-------------------------|
| 993,139 | 876,888 |
| 95,051 | 83,500 |
| 76,336 | 79,788 |
| <u>1,164,526</u> | <u>1,040,176</u> |

FTE

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

| 2023 £ | 2022 £ |
|------------------|------------------|
| 4 | 4 |
| 10 | 7 |
| 5 | 4 |
| 8 | 6 |
| 5 | 5 |
| <u>32</u> | <u>26</u> |

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 (2022: none).

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****12 Tangible fixed assets****Historical costs****At 1st April 2022**

- Reclassification

Transfers

- Additions

- Disposals

At 31st March 2023**Depreciation****At 1st April 2022**

- Reclassification

Transfers

- Charge for the year

- Disposals

At 31st March 2023**Net book value****At 31st March 2022****At 31st March 2023**

| | Leasehold Improvements £ | Other Leasehold £ | Less Government Grant £ | Furniture and Fittings £ | Office Equipment £ | Computer Equipment £ | Gym Equipment £ | Total 2023 £ | Total 2022 £ |
|---------------------------|--------------------------------|-------------------------|----------------------------------|-----------------------------------|--------------------------|----------------------------|-----------------------|-----------------|-----------------|
| Historical costs | | | | | | | | | |
| At 1st April 2022 | 596,721 | 185,555 | (280,000) | 37,236 | 29,767 | 183,592 | 6,516 | 759,387 | 711,283 |
| • Reclassification | | | | | | | | | |
| Transfers | - | - | - | - | - | 1,630 | - | 1,630 | - |
| • Additions | - | - | - | - | - | (500) | - | - | 48,104 |
| • Disposals | | | | | | | | | - |
| At 31st March 2023 | 596,721 | 185,555 | (280,000) | 37,236 | 29,767 | 184,722 | 6,516 | 761,017 | 759,387 |
| Depreciation | | | | | | | | | |
| At 1st April 2022 | 596,721 | 127,707 | (280,000) | 37,236 | 29,767 | 159,957 | 4,941 | 676,329 | 647,691 |
| • Reclassification | | | | | | | | | |
| Transfers | - | - | - | - | - | - | - | - | - |
| • Charge for the year | - | 15,634 | - | - | - | 13,036 | 652 | 29,321 | 28,638 |
| • Disposals | | | | | | | | | |
| At 31st March 2023 | 596,721 | 143,341 | (280,000) | 37,236 | 29,767 | 172,993 | 5,593 | 705,650 | 676,329 |
| Net book value | | | | | | | | | |
| At 31st March 2022 | - | 57,848 | - | - | - | 23,635 | 1,575 | | 83,058 |
| At 31st March 2023 | - | 42,214 | - | - | - | 11,729 | 923 | 54,867 | |

13 Fixed asset investments

Subsidiaries

Positive East oversees two subsidiary entities:

1. Purple People Enterprises Limited: This wholly owned subsidiary is registered in England and Wales with Registration No. 06956340. It was primarily engaged in catering services and well-being courses. Historically, all of its profits were channelled to the group through gift aid. A few years back, we secured funding from the Big Lottery and City Bridge Trust, rejuvenating our mindfulness programme. This programme achieved notable recognition, leading to the delivery of mindfulness services at the esteemed rating agency, Standard & Poor. By 2020, we decided to integrate the mindfulness and café activities directly into the charity, rendering Purple People Enterprises Limited dormant. This transition streamlined our accounting and legal processes, reduced costs, and retains the flexibility to reactivate the trading arm if needed in the future.
2. The Chilli Pig Ltd: This subsidiary, registered in England and Wales with Registration No. 07602054, operates in the organic food manufacturing and distribution sector. Although Positive East has held a stake in The Chilli Pig for some time, it wasn't until the financial year 2020/21 that we became the majority owner with a 70% share. For the current financial year, we opted not to consolidate The Chilli Pig's accounts into the group accounts. This decision was driven by the subsidiary's immaterial financial impact; even its most significant figures remain below the materiality threshold for audit considerations. This approach is in alignment with FRS 102, paragraph 9.9A.

Financial Summary for 2022-2023:

Deficit: £672

Net Assets: £1,896

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.

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582**

Listed investments
Unlisted investments

| Charity | |
|-----------------------|-----------------------|
| 2023 | 2022 |
| £ | £ |
| 112,159 | 116,571 |
| - | - |
| <u>112,159</u> | <u>116,571</u> |

14 Debtors**Grants Receivable:**

Candex Solutions Ltd
Dr. Tom Nadarzynski
LB Hackney
LB Redbridge
LB Waltham Forest
Metro Centre
Royal Free London NHS Foundation
Trust
Terrence Higgins Trust
Interbank

| Charity | |
|-------------------------------------|-----------------------|
| 2023 | 2022 |
| £ | £ |
| 9,600 | 57,962 |
| 36,184 | 3,750 |
| 59,921 | 43,558 |
| 43,558 | 49,795 |
| 35,425 | |
| 32,146 | 17,712 |
| 9,000 | - |
| 7,000 | - |
| 3,890 | |
| <u>236,723</u> | <u>172,777</u> |
| Other Debtors | 5,947 |
| Prepayments | 4,817 |
| Accrued income (WIP income) | - |
| VAT receivable from HMRC | 4,961 |
| <u>Total</u> | <u>188,502</u> |

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****15 Creditors: amount falling due within one year**

| | Charity | |
|------------------------------|-----------------------|-----------------------|
| | 2023 | 2022 |
| | £ | £ |
| Trade Creditors | 46,425 | 67,625 |
| Other Creditors | 7,627 | 7,823 |
| Taxation and social security | 23,077 | 21,484 |
| Accruals | 49,589 | 59,618 |
| Deferred income | 511,694 | 451,739 |
| VAT payable to HMRC | 29,673 | - |
| | <u>668,086</u> | <u>608,289</u> |

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 2023) then a value representing the portion remaining unmet is deferred until the future.

At 31st March 2023, a total of £511,694 (2022 the equivalent was £451,739) was rolled over to the future. Included in this year's total is an amount of £162k from Fast Track city contract.

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****16 Funds****16a Restricted funds**

| | Brought Forward £ | Income £ | Expenditure £ | Carried Forward £ |
|---|----------------------------------|---------------------|--------------------------|----------------------------------|
| City Bridge Trust - GMI | | 35,701 | 35,701 | |
| City Bridge Trust - Reassure | | 51,390 | 51,390 | |
| GILEAD - HIV voices | | 21,028 | 21,028 | |
| GILEAD - Monkey Pox | | 43,204 | 43,204 | |
| MAC AIDS | | 50,000 | 50,000 | |
| Pilgrim | | 15,000 | 15,000 | |
| UK Health Agency - Monkey Pox | | 12,892 | 12,892 | |
| University of Westminster | | 15,000 | 15,000 | |
| VIIV - Monkey Pox | | 25,217 | 25,217 | |
| Pan London GMI | | 54,000 | 54,000 | |
| HPE African | | 7,000 | 7,000 | |
| HPE MSM | | 35,887 | 35,887 | |
| EJAF | | 4,835 | 4,835 | |
| Fast Track Cities Bus | | 26,342 | 26,342 | |
| Barts Health NHS Trust - Women for Women | | 57,962 | 57,962 | |
| LB Barking & Dagenham and Havering | | 74,964 | 74,964 | |
| LB Hackney | | 98,220 | 98,220 | |
| LB Newham | | 100,000 | 100,000 | |
| LB Redbridge | | 157,256 | 157,256 | |
| LB Tower Hamlets | | 200,000 | 200,000 | |
| LB Waltham Forest | | 70,849 | 70,849 | |
| Age UK (Formerly REAL IAA) | | 32,436 | 32,436 | |
| Fast Track Cities Wellbeing | | 124,000 | 124,000 | |
| NHS North East London CSU- HIV Society | | | | |
| Stigma | | 49,795 | 49,795 | |
| GILEAD - 40 @ 40 project | | 34,250 | 34,250 | |
| LB of Tower Hamlets and LB of Hackney - Monkey Pox | | 13,473 | 13,473 | |
| Hackney Communities project | | 16,646 | 16,646 | |
| Henry Smith | | 48,600 | 48,600 | |
| Henry Smith - Reassure | | 18,000 | 18,000 | |
| | | 1,493,946 | 1,493,946 | |

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****16b Unrestricted Funds**

| | Brought forward £ | Income £ | Expenditure £ | Carried Forward £ |
|--------------|----------------------------------|---------------------|--------------------------|----------------------------------|
| General Fund | 569,091 | 353,354 | 293,155 | 631,799 |
| Total | 569,091 | 353,354 | 293,155 | 631,799 |

17 Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|--------------------------|-------------------------------------|-----------------------------------|-------------------------|-------------------------|
| Tangible fixed assets | 54,867 | - | 54,867 | 83,058 |
| Intangible fixed assets | | | | |
| Investment | 112,159 | - | 112,159 | 116,571 |
| Cash at bank and in hand | 890,522 | - | 890,522 | 796,978 |
| Stock of Finished Goods | | | | |
| Other current assets | 242,337 | - | 242,337 | 183,561 |
| Current liabilities | (668,086) | - | (668,086) | (604,354) |
| | | - | - | - |
| | 631,799 | - | 631,799 | 575,814 |

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 £76,336 (2021 £79,788).

POSITIVE EAST**Company Register No. 02546750****Charity Register No. 1001582****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 (2022: £425) by its subsidiary company, The Chilli Pig Ltd. No guarantees have been given or received.

20 Cash generated from operations

| | 2023 | 2022 |
|--|---------------|----------------|
| | £ | £ |
| Surplus/(deficit) for the year | 55,787 | 57,447 |
| Adjustments for: | | |
| Investment income recognised in profit or loss | (15,502) | (16,185) |
| Movement in Investments | 4,412 | 134,987 |
| Depreciation and impairment of tangible fixed assets | 29,321 | 28,638 |
| Amortisation of Goodwills | 4,695 | 776 |
| Movements in working capital: | | |
| Increase in debtors | (54,240) | (87,615) |
| Decrease in creditors | 55,199 | 54,000 |
| Cash generated from/(absorbed by) operations | 79,672 | 172,048 |