

REGISTERED COMPANY NUMBER: 5003795 (England and Wales)
REGISTERED CHARITY NUMBER: 1102254

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
FOR
PRISON FELLOWSHIP
(a company limited by guarantee)

Operating as PRISON FELLOWSHIP ENGLAND AND WALES

Hewitt Warin Ltd
Chartered Accountants and Statutory Auditors
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

PRISON FELLOWSHIP

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for the Year Ended 31 March 2018

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PRISON FELLOWSHIP

CHAIR'S REPORT

for the Year Ended 31 March 2018

It has been a year since I began my appointment as Chair of the Board and I am continually struck by the dedication of Prison Fellowship's (PF) volunteers to our ministry. Recently, I have been able to see first-hand the impact that *Sycamore Tree* can have on the lives of the prisoners that we work with. This would not be possible without the time, support and prayer that PF's volunteers offer across England and Wales.

It is no secret that this past year had been a challenging time for prisons across England and Wales. Despite this, PF has seen growth in many areas, including a rise in volunteer numbers, an increase in prisons offering Angel Tree and greater numbers of prisoners active in *Letter Link*. Further to this, it is encouraging to see the impact of a stable and professional staff team over the last year.

Looking forward to the year ahead, PF will be gearing up to celebrate 40 years of ministry. This is an incredible achievement, and testament to the commitment of resources and prayer from our volunteers and supporters. What an excellent chance to reflect upon and celebrate the work of a group of people who truly believe that no one is beyond hope.

Fran Beckett

Chair of Trustees

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

5003795 (England and Wales)

Registered Charity number

1102254

Registered office

GF21 Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

Trustees

| | |
|------------------------|---------------------------|
| Mr Howard Dodd | - retired 27.4.18 |
| Mr Edward Cox | |
| Reverend Paul Foster | - retired 24.1.18 |
| Reverend Martin Kettle | |
| Mr John Gloster | |
| Mr Anthony Watson | |
| Reverend Kevin Dawkins | |
| Ms Christine Leong | |
| Ms Fran Beckett | Chair - appointed 28.4.17 |

Company Secretary

Mr Edward Cox

Auditors

Hewitt Warin Ltd
Chartered Accountants and Statutory Auditors
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

Bankers

HSBC Bank plc
99 High Street
Chelmsford
Essex
CM1 1EQ

Website

www.prisonfellowship.org.uk

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Chief Executive Officer

Mr Peter Holloway

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Instrument and Constitution

Prison Fellowship is governed by a Trust Deed dated 1st February 1980, executed by the original Trustees under a declaration of trust; and by the Company's Memorandum and Articles of Association.

Board of Trustees

The Board met six times during the year. All business is done through the Board and further training is offered as the need arises.

Aims, Objects and Geographical Area

Prison Fellowship aims to support prisoners by coming alongside them, providing practical help through its programmes, and by supporting their plans to stop offending. We aim to offer our services throughout England and Wales to all who request them, regardless of their beliefs.

Our objectives are to provide prayer and support for prisoners by having:

1. Every prison supported by Prison Fellowship Regional Groups
2. Prison Fellowship volunteers regularly active in every prison
3. Prayer support available for every individual prisoner and every prison
4. A range of programmes to allow our Regional Groups and members to support prisoners in all types of prisons
5. An infrastructure to;
 - Provide support for every member and Regional Group, allowing us to recruit, train and retain our members and give them a high quality experience and proficient delivery to prisons
 - Offer opportunities to give financially to our work
 - Increase our reach to all communities

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit. Earlier paragraphs of this report set out the purpose and objects of Prison Fellowship; the focus of our work and how we ensure that our work delivered our aims. The Trustees are satisfied that the aims and objectives of the charity meet the public benefit requirement; and that the charity's activities are in support of those aims.

SUMMARY OF THE YEAR

The financial year 2017-18 has been one in which PF continued to thrive despite a very challenging environment.

PF's national volunteer numbers rose to 2,545. The organisation is providing support to prisoners in a record number of prisons, supporting most establishments across England and Wales in some way.

Across the year, PF's three main structured programme all hit record highs. 44 prisons benefitted from PF's restorative justice and victim awareness programme, *Sycamore Tree*. 87 prisons took part in *Angel Tree* which enables the children of prisons to receive a present from their parent in prison. 313 letter writers in prison corresponded with PF volunteers through its *Letter Link* programme.

Internally, PF has continued in its change programme to become truly 'fit to serve'. A capable and lean Support Team is now in place, consistently receiving very positive feedback from the large volunteer base they support. PF's new Chair of the Board, Fran Beckett has brought fresh energy and skills to the governing team. Consistent and regular communications are now complimented by visually attractive branding and the quality of services delivered at the coal-face are assured through increased training and development.

All of the above has been achieved in a prison system commonly agreed to be in crisis with 'now expected' headlines kicking off the year such as the 334 people dying in custody – the highest number on record.

In the middle of the year, the CEO of Her Majesty's Prison & Probation Service (HMPPS) Mr Spurr said it had been an "incredibly difficult" summer after an unexpected surge in prisoner numbers with further rises forecast. Mr Spurr said he had "never known" the jail population to increase by so much in such a short space of time as it did between May and August, when it went up by 1,200. This unexpected change shelved plans to close older prisons, which caused further disruption all of which obstructs access to prisoners and therefore PF's mission.

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Nevertheless, the ability to contribute to a prisoner's life transformed is worth every struggle. During the year a new volunteer joined one of PF's *Letter Link* training programmes. She told how her child receiving a present from PF's *Angel Tree* programme had been the trigger for a changed life. She has now been rehabilitated for a number of years and is giving back through volunteering with PF.

Volunteers

The growth of PF's volunteer numbers doubled to 6% in 2017-18 resulting in a membership of 2,545 at year end. These volunteers are organised into 106 regional groups covering the 119 active prisons in England and Wales. We are particularly pleased to see such an increase in PF volunteers at a time when volunteering in the UK has dropped by 15% in a decade.

For the first time in PF's history, the highest proportion of volunteer applications received by the organisation came from web searches rather than personal referrals. This trend assists PF by increasing the overall number of applicants, however the proportion of those successful through the selection process is less.

Being a volunteer-driven organisation is a strategic objective of PF. To enhance volunteer leadership and engagement, we are growing a national leadership group that meets directly with the CEO to discuss key business once a month electronically and face-to-face each quarter. This group is growing in importance in the life and development of PF.

This year, PF held its biennial conference where over 100 key volunteers and staff met over 48 hours to deeply engage the wider community on future plans and sector themes. The event received universally positive feedback from attendees.

PROGRAMMES AND ACTIVITIES

Angel Tree

Angel Tree allows prisoners to send small gifts to their children at Christmas, in person on family days or to their mothers on Mothers' Day. It is administered by volunteers and funds are usually raised regionally. Family cohesion is one of the 7 pathways determined by HMPPS as being critical to improving desistance. *Angel Tree* assists family cohesion.

PF's 2017 *Angel Tree* programme extended into a record 87 prisons and provided 4,571 gifts to prisoners' children. It was noticeable that the level of community engagement in the 2017 *Angel Tree* programme was very high. It is a programme that continues to provide a positive vehicle for individuals to understand the needs of those in prison and engage their support and is also one of the most powerful and simple methods through which PF is able to deliver its mission.

Letter Link

Letter Link allows trained, supervised volunteers to write to prisoners. It is particularly valued by those who have no friends or family who visit or with whom they can correspond, and it enables volunteers who may be unable to visit prison to play an active part in Prison Fellowship's support of prisoners.

The *Letter Link* programme is popular with new volunteers and PF currently has a surplus of volunteers willing to correspond with prisoners. The total number of prisoners writing to PF volunteers has increased by 16% to 313.

This year, PF was privileged to be asked by a Secure Training Centre (STC) for children to establish a safe and suitable letter writing scheme for the children resident at the centre. This opportunity was made possible because of PF's strong experience and expertise. Bespoke safeguarding training and vetting processes have been developed in partnership with the centre and safeguarding experts and the scheme was approved for roll-out by the Centre's Governor. If the pilot scheme is successful, opportunities within other STCs may become available.

Sycamore Tree

During 2017-18 PF crossed the milestone of delivering its restorative justice and victim awareness programme *Sycamore Tree (ST)* programme to over 30,000 prisoners making it one of the biggest contributors to building transformed lives through restorative practices.

ST is a programme run over six consecutive half-days. With normal prisoner movements and other disruptions, it is a great success that volunteers were able to run 127 courses, a 5% increase on last year. In addition, the programme is now run in 44 secure establishments, the highest number ever.

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

PF has been privileged to partner with Dr Gerard Drennan PhD, Consultant Lead Psychologist at Bethlem Royal Hospital, South London and Maudsley NHS Foundation Trust to investigate whether a restorative justice intervention, is effective in a forensic mental-health setting. The work was evaluated with assistance from King's College London and our thanks goes to Finlay Wood for his willingness to tutor the programmes for PF.

The exciting study explored the effectiveness of the *Sycamore Tree* programme in a forensic mental health population. This was the first study of its kind and showed potential benefits. Perhaps the most important implication is that mentally-disordered offenders, as a doubly-stigmatised population, should not be excluded from the profound experience of respect and inclusiveness facilitated by restorative practices, provided they have the capacity to participate. This project has concluded successfully for PF and facilitated others in forensic mental health settings to take forward restorative practices as appropriate.

The new peer mentor scheme introduced in recent years enables ST learner graduates to be trained to return to later courses and assist peers in their learning. This assists the Peer Mentors in learning a new skill, builds their confidence and sense of worth through their ability to support the learning of others. This year the scheme has grown by approximately 40%.

Each *ST* course is led by one tutor and a small number of group facilitators. To support growth in the number of programmes PF is able to run and to assure quality, PF increased the number of course tutors by 15% to 71. PF's ability to run and expand the scheme is greatly dependent upon having a strong cadre of tutors. This is challenging due to the teaching qualification and specialist training required by this expert group. However, the strong reputation of the programme and the opportunity it gives volunteers to work with prisoners in this unique way continues to attract new tutors.

Looking forward, demand for the *ST* programme by prisoners and prison management continues to be high with further opportunities to expand delivery currently available.

Chaplaincy Support

Prison chaplains provide valuable pastoral and spiritual support for the prisoners in their care. Recognising this important role, PF works through prison chaplaincy departments to deliver its mission.

PF volunteers work both formally and informally with chaplains in prison visiting, helping with reception interviews, chaplaincy administration, leading and assisting with Sunday services, running music groups and Bible studies, bereavement counselling and parenting courses. Chaplains consistently report that they greatly appreciate this element of Prison Fellowship's work.

The number of prisons in which PF volunteers provide chaplaincy support has been maintained at a high level in 2017-18 with 68 prisons benefiting from this type of support. The central nature of this work makes this improvement especially key.

In 2017-18, PF conducted a survey of the chaplaincies in the prisons across England and Wales. The purpose of the survey is to understand where chaplaincies are well-served by volunteers and in which areas of work they would benefit from greater support from PF. The results of this survey will provide the information necessary to enable PF to deliver services that are needed and valued by its mission beneficiaries.

Key Partnerships

SPCK

Prison Fellowship has been partnering with SPCK since 2015. The fiction books provided by SPCK are used in reading groups run by prison chaplains, librarians and volunteers from Prison Fellowship and other prison-based charities.

Why Me?

The charity Why Me? works with victims and perpetrators of crime, preparing individuals for and supporting them throughout the restorative justice process.

Why Me? and Prison Fellowship have been partners since 2014. The joint restorative project provides Victim Awareness and Restorative courses to offenders through Prison Fellowship's *Sycamore Tree* programme; Why Me? then works with individual offenders who wish to meet their own victims in a restorative justice setting. The expertise of the two organisations on the offender and the victim sides results in safe, appropriate and successful Restorative Justice outcomes being achieved for all involved.

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REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Jonathan Veira

In 2017-18, PF commenced discussions with the renowned singer and entertainer Jonathan Veira, to create a partnership through which it is planned that he will tour England and Wales with PF representatives to increase church engagement and increase PF's known-presence in this key stakeholder group. Mr Veira brings a strong supporter-base, talent and genuine mission alignment with PF.

The Welcome Directory

The Welcome Directory (WD) is creating a database of faith communities in England and Wales who have committed themselves to welcome and support people leaving prison. Faith communities go through a process of training, forming a partnership with their nearest prison chaplaincy by visiting the prison and meeting prisoners and people from other faith communities. Each community then carefully considers the ways in which they can prepare to welcome people leaving prison into their fellowship. The community then decides whether they will register and be listed in a geographical and faith / denomination-based search.

The WD is still developing and in 2017-18 PF assisted the organisation informally through the provision of support to the trustee / management group.

Prison Hope

Prison Hope (PH) is a year of prison focus for churches in the UK. The purpose of PH is that "by the end of 2018 many more churches will be supporting and praying for their local prison". Practically speaking, one of the biggest contributors and beneficiaries of this initiative is prison ministry organisations such as PF. With this in mind, PF has contributed time and energy at all levels to assist this initiative with positive outcomes in terms of raising awareness, volunteer recruitment and working cooperatively with other like-minded prison groups.

Other

PF also has important ongoing partnerships with Prisons Week and the Mothers' Union who support PF's *Angel Tree* programme.

Systems and Processes

PF has continued with its key strategy to work on systems and processes in order to improve effectiveness, efficiency and service to stakeholders. A few examples of such work in 2017-18 are:

1. **IT Supply** - through a rigorous specification and tender process, replacing PF's IT suppliers with one that will provide considerable performance and ongoing cost savings.
2. **Finance / Income process** – a number of day-to-day processes have been re-worked to remove duplication and save work effort.
3. **Safeguarding** – a full review of PF's safeguarding policy, procedures and training has been undertaken. An updated fit-for-purpose package will be rolled in in 2018-19.

Fundraising

Prison Fellowship is grateful for the long-term commitment of donors. In 2017/18 the number of regular donors increased in line with the organisation's long-term resourcing strategy. However, despite this positive trend, underlying income (excluding legacies) decreased slightly (£29,302). The current economic climate and low interest rates continue to adversely affect the ability of larger charitable trusts to make new grants.

Prison Fellowship is also most grateful to those supporters whose foresight meant that the charity benefitted from their estates during the year. This year, the charity has benefited from a most generous legacy which has enabled an increase in reserves, investment in the infrastructure of the organisation and also supported ongoing mission delivery. Whilst Prison Fellowship's work makes a real impact in the lives of prisoners and is widely applauded for its unique work, it remains an area that doesn't readily attract supporters. Growing underlying income will remain an area of focus in coming years.

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REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Prison Fellowship is extremely grateful to all those who support our work financially including the following donors in 2017/18:

Donations and grants giving £1,000 or more:

29th May 1961 Charitable Trust, Alain Burke Memorial Trust, Archer Trust, Ashburnham Thanksgiving Trust, BDO Charitable Trust, Chester Diocesan Moral Aid Charity (St. Bridget's Trust), Companions of Jesus the Good Shepherd, David Pickford Charitable Foundation, Dorema Charitable Trust, Edward Cadbury Trust (Inc), Elizabeth Bennet Charitable Trust, Forest Hill Charitable Trust, Fowler Smith and Jones Trust, Fulmer Charitable Trust, Henry Smith Charity, Michael and Shirley Hunt Charitable Trust, Mizpah Trust, Mr And Mrs F E F Newman Charitable Trust, Mrs L D Rope Third Charitable Settlement, Mrs R P Tindall's Charitable Trust, P & P Trust Limited, Paul Lunn-Rockcliffe Charitable Trust, Pickwell Foundation, River Trust, Seedfield Trust, Selwyn Charitable Trust, St James's Place Foundation and Stewardship.

Other donations and grants:

Barry Davis Charitable Trust, Buckingham Trust, Deus Laudamus Trust, Edgar Milward Charity, Edwards-Skinner Trust, Granville Trust, Guy Fawkes Charitable Trust, Ian Reid Charitable Trust, Joy Charitable Trust, Leswyn Charitable Trust, Lilian Trust, Music in Ministry Trust, Norman Evershed Trust, Robertson Charitable Trust, S W Buckhurst Trust, Sir Jeremiah Colman Gift Trust, Torrs Charitable Trust, Tyneholme Trust and Whitecourt Charitable Trust.

Prison Fellowship is also most grateful to those supporters whose foresight meant that the charity benefitted from their estates during the year.

Prison Fellowship Regional Groups donated £30,434 (£23,241) to help fund other PF groups and national activities.

Looking forward Prison Fellowship will continue to follow a strategic fundraising approach based on excellent research and planning. It is hoped this will lead to a well-balanced, dependable, professional and cost-effective fundraising operation:

- Well-balanced – getting the fundraising mix as it should be, so that the charity is not over reliant on a particular source of funding
- Dependable – so that planning can proceed with confidence
- Cost effective – giving value for money to supporting donors, well run, not wasteful of cost or opportunities or priorities

Financial Results

The financial statements for the year ended 2018 have reported the activities of regional groups in greater detail than in previous years and the prior year has been restated to reflect this change.

The financial results for Prison Fellowship for the year 2017/18 reported net expenditure of £77,487 (2016/17 – a surplus £674,045). If legacy income is excluded the amended results would have been net expenditure for the current year of £98,884 as compared to net expenditure in the prior year of £65,306. Thus, excluding legacy income, the position deteriorated by £33,578. This was as a result of overall income being down by £27,257, excluding the single legacy of £720,000, whilst expenditure was up by a mere £4,275.

Breakdown of total income:

| Source | 2017/18 | 2016/17 | %age of total | %age prior year |
|---|----------------|------------------|----------------------|------------------------|
| Grants from charitable trusts & partner bodies | 126,521 | 176,696 | 22% | (28%) |
| Police Crime Commissioners | 18,000 | 3,130 | 3% | 475% |
| Gifts from individual donors | 263,929 | 234,316 | 46% | 13% |
| Gifts from Prison Fellowship Groups | 30,433 | 18,401 | 5% | 65% |
| Donations from Churches | 42,111 | 33,975 | 7% | 24% |
| Donated services and facilities | 20,124 | 53,568 | 4% | (62%) |
| Legacy income | 21,397 | 739,351 | 4% | (97%) |
| Income from charitable activities and investment income | 48,864 | 59,200 | 9% | (17%) |
| Total | 571,379 | 1,318,636 | 100% | (57%) |

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

As can be seen from the table above, there was a large drop in legacy income which was to be expected but also a significant drop in income from charitable trusts and partner bodies and income from charitable activities. Other sources of income, namely gifts from individual donors, PF groups and churches all grew in the period under review.

Income excluding legacy income, donated services and faculties, and income from charitable activities and investment income was up by £14,477 or 3%.

Overall expenditure only increased marginally but the analysis below shows how one sector was balanced out by other sectors – viz. Conference costs and Grants payable to partner organisations.

At 31st March 2017 an accrual was made to cover the fee payable to Prison Fellowship International (PFI) on the large legacy received that year but not payable until 2018. During the current year, PFI waived their right to the fee on the large legacy which gives rise to the credit charged in the financial statements.

Breakdown of total expenditure:

| Source | 2017/18 | 2016/17 | %age prior year |
|---|----------------|----------------|----------------------------|
| Raising funds | 66,010 | 55,413 | 19% |
| Operational expenditure | 587,065 | 569,231 | 3% |
| Conference costs | 20,826 | - | - |
| Grants payable to partner organisations (PFI) | (25,035) | 19,947 | - |
| Total | 648,866 | 644,591 | 1% |

Reserves

The Trustees' policy is to hold reserves to enable Prison Fellowship to plan and execute its important work over the medium term. This takes account of its commitments to prisons and staff and volatility in income. Prison Fellowship's unrestricted reserves at the year-end were £737,844 (£823,387) a 10% decrease over the prior year. The absolute minimum monthly amount required to meet its financial obligations in insolvency is £ 90,000 (2016/17 £90,000).

Investment policy

The Board of Trustees has the power to invest in a wide range of assets. Surplus funds were kept on deposit during the year. Rates are reviewed to ensure a satisfactory return with appropriate flexibility is obtained.

Risk management

The Trustees regularly monitor actual income and expenditure against formally approved budgets. No financial risks are foreseen in the next financial year and the organisation is well placed to employ additional key skills in the Support Office. Longer term external risks arise from the challenging operating environment in prisons and the willingness of HMPPS and local prison Governors to support the role of the third sector.

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Future Plans

Prison Fellowship's **mission** is simply stated:

'To show Christ's love to prisoners by coming alongside them and supporting them'

And our **dream** is that:

'Every life in prison is transformed'

After considerable input from the grass roots of PF in 2016, the organisation's **values** were restated. We are pleased that these remain unchanged in 2017-18 and the organisation is getting on with the task of living them well.

Prayerfulness – everything we do is rooted in prayer, our work is an expression of our faith, and its fruit an expression of God's faithfulness – through prayer we see others as Christ sees them – seeking God's perspective

Respect – Every person has value - can change and should be given the opportunity to change

Humility – recognising our own weakness and suffering helps us connect with each other, victims of crime and offenders – restoration starts with accepting our vulnerability

Unity – we recognise we are part of God's bigger plan and our success depends on working closely with each other and with partners to reach more prisoners

Integrity – having little difference between what we think, what we say and what we do – aligning ourselves with our calling and good stewardship

Hope – we seek to bring hope where it has been lost

Compassion – we move beyond empathy and are willing to help

Dignity – we believe that every person is made in God's image and so is worthy of respect, without condition

Four themes and objectives for 2023 developed in 2017-18 remain in focus:

1. 'Christ centred & prisoner focused'

By 2023, PF's internal work and external outputs will be demonstrably focussed on transforming the lives of prisoners. Every contact with PF will show Christ's love.

2. 'Volunteer engaged'

By 2023, PF will be mobilised through a co-created and highly- consultative organisation. Structures, processes and competence will be present in PF that enable leadership opportunities for those who want them. The volunteer based will have grown by 5% per annum and an effective 'Area Leadership' group will be in place.

3. 'Sustainable & resourced'

By 2023, PF will have the people, finance and prayer support it requires to enter the next decade sustainably - confident of delivering its mission and goals.

4. 'Excellent, lean & connected'

By 2023, PF will have a support team who operate simple, effective processes that enable volunteers to deliver PF's mission with ease.

There is unity and free-flowing communication between individual volunteers, PF groups, staff and trustees.

Relationships are constructive, interdependent and supportive of others fulfilling their ministry to prisoners.

PF's work is recognised by stakeholders as high quality and its expenditure is appropriate for its size and donor profile.

PRISON FELLOWSHIP

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2018

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Prison Fellowship for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:


- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hewitt Warin Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Oct 22, 2018

Approved by order of the board of trustees on and signed on its behalf by:


FRANCES BECKETT (Oct 18, 2018)
.....
Ms Fran Beckett - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PRISON FELLOWSHIP

Opinion

We have audited the financial statements of Prison Fellowship (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PRISON FELLOWSHIP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Our 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 a Report of the Independent Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our 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.



Jeffrey Warin BSc FCA (Senior Statutory Auditor)
for and on behalf of Hewitt Warin Ltd
Chartered Accountants and Statutory Auditors
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

Date: Oct 22, 2018

PRISON FELLOWSHIP**STATEMENT OF FINANCIAL ACTIVITIES**
for the Year Ended 31 March 2018

| | | | | | 31.3.18 | 31.3.17 |
|---|-------|-----------------------|----------------------------------|---|-----------------------|-------------------------|
| | | Unrestricted funds | Restricted funds, held centrally | Restricted funds, held by regional groups | Total funds | Total funds as restated |
| | Notes | £ | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations | 2 | 293,365 | 159,303 | 48,450 | 501,118 | 520,085 |
| Legacies | | 20,397 | 1,000 | - | 21,397 | 739,351 |
| Charitable activities | | | | | | |
| <i>Sycamore Tree</i> Courses | 4 | 10,362 | - | - | 10,362 | 45,800 |
| Conference fees | | 15,567 | - | - | 15,567 | - |
| Event surpluses | | - | - | 3,857 | 3,857 | 4,305 |
| Other income | | - | - | 18,007 | 18,007 | 8,787 |
| Investment income | 3 | <u>1,071</u> | <u>-</u> | <u>-</u> | <u>1,071</u> | <u>308</u> |
| Total | | <u>340,762</u> | <u>160,303</u> | <u>70,314</u> | <u>571,379</u> | <u>1,318,636</u> |
| EXPENDITURE ON | | | | | | |
| Raising funds | 5 | 66,010 | - | - | 66,010 | 55,413 |
| Charitable activities | | | | | | |
| Operational programmes | 6 | 364,504 | 142,937 | 79,624 | 587,065 | 569,231 |
| Conference | | 20,826 | - | - | 20,826 | - |
| Grants payable to partner organisations | | <u>(25,035)</u> | <u>-</u> | <u>-</u> | <u>(25,035)</u> | <u>19,947</u> |
| Total | | <u>426,305</u> | <u>142,937</u> | <u>79,624</u> | <u>648,866</u> | <u>644,591</u> |
| NET INCOME/(EXPENDITURE) | | (85,543) | 17,366 | (9,310) | (77,487) | 674,045 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | <u>823,387</u> | <u>25,445</u> | <u>87,150</u> | <u>935,982</u> | <u>261,937</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>737,844</u></u> | <u><u>42,811</u></u> | <u><u>77,840</u></u> | <u><u>858,495</u></u> | <u><u>935,982</u></u> |

The notes form part of these financial statements

PRISON FELLOWSHIP


BALANCE SHEET


At 31 March 2018

| | | | | | 31.3.18 | 31.3.17 |
|--|-------|-----------------------|----------------------------------|---|-----------------------|-------------------------|
| | | Unrestricted funds | Restricted funds, held centrally | Restricted funds, held by regional groups | Total funds | Total funds as restated |
| | Notes | £ | £ | £ | £ | £ |
| FIXED ASSETS | | | | | | |
| Tangible assets | 13 | 2,791 | - | - | 2,791 | 4,353 |
| CURRENT ASSETS | | | | | | |
| Debtors | 14 | 30,437 | - | - | 30,437 | 42,526 |
| Cash at bank | | 767,241 | 42,811 | - | 810,052 | 894,887 |
| Bank balances held by regional groups | | - | - | 77,840 | 77,840 | 87,150 |
| | | 797,678 | 42,811 | 77,840 | 918,329 | 1,024,563 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | 15 | (62,625) | - | - | (62,625) | (92,934) |
| NET CURRENT ASSETS | | <u>735,053</u> | <u>42,811</u> | <u>77,840</u> | <u>855,704</u> | <u>931,629</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>737,844</u> | <u>42,811</u> | <u>77,840</u> | <u>858,495</u> | <u>935,982</u> |
| NET ASSETS | | <u><u>737,844</u></u> | <u><u>42,811</u></u> | <u><u>77,840</u></u> | <u><u>858,495</u></u> | <u><u>935,982</u></u> |
| FUNDS | 16 | | | | | |
| Unrestricted funds | | | | | 737,844 | 823,387 |
| Restricted funds, held centrally | | | | | 42,811 | 25,445 |
| Restricted funds, held by regional groups | | | | | <u>77,840</u> | <u>87,150</u> |
| TOTAL FUNDS | | | | | <u><u>858,495</u></u> | <u><u>935,982</u></u> |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on Oct 22, 2018 and were signed on its behalf by:


FRANCES BECKETT (Oct 18, 2018)
Ms Fran Beckett -Trustee


E.D.Cox (Oct 22, 2018)
Mr Edward Cox -Trustee

The notes form part of these financial statements

PRISON FELLOWSHIP

CASH FLOW STATEMENT
for the Year Ended 31 March 2018

| | | 31.3.18 | 31.3.17 |
|---|-------|-----------------------|-----------------------|
| | Notes | £ | as restated £ |
| Cash flows from operating activities: | | | |
| Cash generated from operations | 1 | <u>(93,968)</u> | <u>696,168</u> |
| Net cash provided by (used in) operating activities | | <u>(93,968)</u> | <u>696,168</u> |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (1,248) | - |
| Sale of tangible fixed assets | | - | 354 |
| Interest received | | <u>1,071</u> | <u>308</u> |
| Net cash provided by (used in) investing activities | | <u>(177)</u> | <u>662</u> |
| | | <u> </u> | <u> </u> |
| Change in cash and cash equivalents in the reporting period | | (94,145) | 696,830 |
| Cash and cash equivalents at the beginning of the reporting period | | <u>982,037</u> | <u>285,207</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>887,892</u></u> | <u><u>982,037</u></u> |

The notes form part of these financial statements

PRISON FELLOWSHIP

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 31.3.18 | 31.3.17 as restated |
|---|-----------------|------------------------|
| | £ | £ |
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | (77,487) | 674,045 |
| Adjustments for: | | |
| Depreciation charges | 2,810 | 2,626 |
| Loss on disposal of fixed assets | - | 85 |
| Interest received | (1,071) | (308) |
| Decrease/(increase) in debtors | 12,089 | (14,086) |
| (Decrease)/increase in creditors | <u>(30,309)</u> | <u>33,806</u> |
| Net cash provided by (used in) operating activities | <u>(93,968)</u> | <u>696,168</u> |

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 March 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expensed in a future period.

Donations, together with any associated income tax recovery, are recognised when the donation is received. Legacies are included as income on receipt.

Expenditure

Expenditure on operational programmes is recognised in the period in which it is incurred. Grants payable to partner organisations for projects are included in the Statement of Financial Activities when approved by the Trustees.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Tangible fixed assets

Fixed assets for use by the charity in fulfilling its main charitable objectives are capitalised and depreciated. Depreciation is provided on all fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at 25% per annum straight line. Items of expenditure are capitalised only when their cost exceeds £500.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Debtors

Gift aid recoverable is recognised at the date that the related donation is received and is recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes; cash, bank current accounts and bank deposit accounts with no withdrawal limitations. Where bank balances are held in foreign currencies the sterling amount is shown as at the balance sheet date.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

Fund accounting

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees. Restricted Funds are funds that can be used only for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2018

1. ACCOUNTING POLICIES - continued

Pension contributions

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate. The pension cost charge represents the contributions payable to a group personal pension scheme and the charity has no liability under the scheme other than for the payment of those contributions.

Donated goods

Donated goods and services are included in the Statement of Financial Activities as both income and expenditure, items are included at market value.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially settled at transaction value and subsequently measured at their settlement value.

2. DONATIONS

| | Unrestricted funds | Restricted funds | 31.3.18 Total funds | 31.3.17 Total funds as restated |
|---|-----------------------|---------------------|---------------------------|--|
| | £ | £ | £ | £ |
| Grants from charitable trustee & partner bodies | 65,112 | 61,409 | 126,521 | 176,695 |
| Police Crime Commissioner | - | 18,000 | 18,000 | 3,130 |
| Gifts from individual donors | 176,847 | 87,082 | 263,929 | 234,316 |
| Gifts from Prison Fellowship Groups | 3,501 | 26,932 | 30,433 | 18,401 |
| Donated services and facilities | 20,124 | - | 20,124 | 53,568 |
| Donations from churches | 27,781 | 14,330 | 42,111 | 33,975 |
| | <u>293,365</u> | <u>207,753</u> | <u>501,118</u> | <u>520,085</u> |

3. INVESTMENT INCOME

| | Unrestricted funds | Restricted funds | 31.3.18 Total funds | 31.3.17 Total funds as restated |
|--------------------------|-----------------------|---------------------|---------------------------|--|
| | £ | £ | £ | £ |
| Deposit account interest | <u>1,071</u> | <u>-</u> | <u>1,071</u> | <u>308</u> |

4. INCOME FROM CHARITABLE ACTIVITIES

| | 31.3.18 | 31.3.17 as restated |
|------------------------------|---------------|------------------------|
| | £ | £ |
| <i>Sycamore Tree</i> courses | 10,362 | 45,800 |
| Conference fees | 15,567 | - |
| Event surpluses | 3,857 | 4,305 |
| Other income | <u>18,007</u> | <u>8,787</u> |
| | <u>47,793</u> | <u>58,892</u> |

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

5. RAISING FUNDS

Raising donations and legacies

| | Unrestricted funds | Restricted funds | 31.3.18 Total funds | 31.3.17 Total funds as restated |
|--------------------|-----------------------|---------------------|---------------------------|--|
| | £ | £ | £ | £ |
| Staff costs | 42,779 | - | 42,779 | 36,970 |
| Other direct costs | <u>23,231</u> | <u>-</u> | <u>23,231</u> | <u>18,443</u> |
| | <u>66,010</u> | <u>-</u> | <u>66,010</u> | <u>55,413</u> |

6. CHARITABLE ACTIVITIES COSTS

| | Direct costs | Support costs (See note 7) | Totals |
|---|-----------------|-------------------------------|-----------------|
| | £ | £ | £ |
| Operational programmes | 575,763 | 11,302 | 587,065 |
| Conference | 20,826 | - | 20,826 |
| Grants payable to partner organisations | <u>(25,035)</u> | <u>-</u> | <u>(25,035)</u> |
| | <u>571,554</u> | <u>11,302</u> | <u>582,856</u> |

7. SUPPORT COSTS

| | Governance costs |
|------------------------|---------------------|
| | £ |
| Operational programmes | <u>11,302</u> |

8. NET INCOME/(EXPENDITURE)

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

| | 31.3.18 | 31.3.17 as restated |
|------------------------------------|----------|------------------------|
| | £ | £ |
| Auditors' remuneration | 4,124 | 3,914 |
| Depreciation - owned assets | 2,810 | 2,626 |
| Deficit on disposal of fixed asset | <u>-</u> | <u>85</u> |

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

| | 31.3.18 | 31.3.17 as restated |
|--------------------|--------------|------------------------|
| | £ | £ |
| Trustees' expenses | <u>7,178</u> | <u>799</u> |

Trustees expenses comprise travel, meeting room hire, refreshments for meetings and other small sundry items. Three trustees have benefited from the repayment of travel expenses during the year. (2017: four)

The key management of personnel of the charity, comprise the trustees and the CEO. The total employee benefits of the key management of the charity were £80,000 (2017 £80,000)

10. STAFF COSTS

| | 31.3.18 | 31.3.17 as restated |
|-----------------------|----------------|------------------------|
| | £ | £ |
| Wages and salaries | 272,421 | 257,190 |
| Social security costs | 23,603 | 22,359 |
| Other pension costs | <u>6,608</u> | <u>5,252</u> |
| | <u>302,632</u> | <u>284,801</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 31.3.18 | 31.3.17 |
|-------------------|----------|----------|
| £70,001 - £80,000 | <u>1</u> | <u>1</u> |

The average monthly number of employees during the year was as follows:

| | 31.3.18 | 31.3.17 |
|---|-------------|-------------|
| The average number of employees during the year was | 10.33 | 9.67 |
| The average FTE of employees during the year was | <u>8.77</u> | <u>8.38</u> |

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2018

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds | Restricted funds, held centrally | Restricted funds, held by regional groups | Total funds as restated |
|---|-----------------------|--|--|-------------------------------|
| | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations | 331,701 | 145,713 | 42,671 | 520,085 |
| Legacies | 739,351 | - | - | 739,351 |
| Charitable activities | | | | |
| <i>Sycamore Tree</i> Courses | 45,800 | - | - | 45,800 |
| Event surpluses | - | - | 4,305 | 4,305 |
| Other income | - | - | 8,787 | 8,787 |
| Investment income | 308 | - | - | 308 |
| Total | <u>1,117,160</u> | <u>145,713</u> | <u>55,763</u> | <u>1,318,636</u> |
| EXPENDITURE ON | | | | |
| Raising funds | 55,413 | - | - | 55,413 |
| Charitable activities | | | | |
| Operational programmes | 386,913 | 132,673 | 49,645 | 569,231 |
| Grants payable to partner organisations | <u>19,947</u> | <u>-</u> | <u>-</u> | <u>19,947</u> |
| Total | <u>462,273</u> | <u>132,673</u> | <u>49,645</u> | <u>644,591</u> |
| NET INCOME/(EXPENDITURE) | 654,887 | 13,040 | 6,118 | 674,045 |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | <u>168,500</u> | <u>12,405</u> | <u>81,032</u> | <u>261,937</u> |
| TOTAL FUNDS CARRIED FORWARD | <u><u>823,387</u></u> | <u><u>25,445</u></u> | <u><u>87,150</u></u> | <u><u>935,982</u></u> |

12. PRIOR YEAR ADJUSTMENT

During the year the charity has re-assessed how branch accounts and transactions between branches and the main office have been treated in the financial statements.

The Charity has determined that there has been a mis-statement in the presentation of these figures, resulting in a movement of £2,115 decrease in general funds and a corresponding increase in restricted funds. The movement in restricted funds is reflected by an increase in *Angel Tree* restricted funds held centrally of £4,376 and a decrease in other restricted funds held by regional groups of £2,261

There are some analysis changes to income and expenditure items, however, the overall closing position as at 31 March 2017 remains unchanged.

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

13. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ |
|---------------------------|----------------------------|
| COST | |
| At 1 April 2017 | 53,619 |
| Additions | <u>1,248</u> |
| At 31 March 2018 | <u>54,867</u> |
| DEPRECIATION | |
| At 1 April 2017 | 49,266 |
| Charge for year | <u>2,810</u> |
| At 31 March 2018 | <u>52,076</u> |
| NET BOOK VALUE | |
| At 31 March 2018 | <u>2,791</u> |
| At 31 March 2017 | <u>4,353</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.18 | 31.3.17 as restated |
|-------------------------------|---------------|------------------------|
| | £ | £ |
| Amounts owed by prisons | 2,000 | 27,200 |
| Income tax recoverable | 2,300 | 800 |
| Other debtors and prepayments | <u>26,137</u> | <u>14,526</u> |
| | <u>30,437</u> | <u>42,526</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.18 | 31.3.17 as restated |
|--|---------------|------------------------|
| | £ | £ |
| Amounts payable to suppliers and accrued expenses | 31,771 | 34,051 |
| Employment taxes and pension contributions | 7,356 | 5,779 |
| Grants made but not yet paid (Prison Fellowship International) | 15,533 | 43,699 |
| Commercial cards | 459 | 110 |
| Deferred income | 120 | 5,802 |
| Funds held for safekeeping | <u>7,386</u> | <u>3,493</u> |
| | <u>62,625</u> | <u>92,934</u> |

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

16. MOVEMENT IN FUNDS

| | At 1.4.17 £ | Net movement in funds £ | At 31.3.18 £ |
|--|-------------------|-------------------------------|-------------------|
| Unrestricted funds | | | |
| General fund | 823,387 | (85,543) | 737,844 |
| Restricted funds | | | |
| <i>Angel Tree</i> , held centrally | 10,660 | 15,201 | 25,861 |
| <i>Sycamore Tree</i> courses at specific prisons, held centrally | 14,785 | 2,165 | 16,950 |
| Other groups funds, held by regional groups | 38,253 | (1,083) | 37,170 |
| <i>Angel Tree</i> , held by regional groups | <u>48,897</u> | <u>(8,227)</u> | <u>40,670</u> |
| | 112,595 | 8,056 | 120,651 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>935,982</u> | <u>(77,487)</u> | <u>858,495</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|--|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 340,762 | (426,305) | (85,543) |
| Restricted funds | | | |
| <i>Angel Tree</i> , held centrally | 52,187 | (36,986) | 15,201 |
| <i>Sycamore Tree</i> courses generally, held centrally | 39,391 | (39,391) | - |
| <i>Sycamore Tree</i> courses at specific prisons, held centrally | 68,725 | (66,560) | 2,165 |
| Other groups funds, held by regional groups | 30,320 | (31,403) | (1,083) |
| <i>Angel Tree</i> , held by regional groups | <u>39,994</u> | <u>(48,221)</u> | <u>(8,227)</u> |
| | 230,617 | (222,561) | 8,056 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>571,379</u> | <u>(648,866)</u> | <u>(77,487)</u> |

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.4.16 £ | Net movement in funds £ | At 31.3.17 £ |
|--|----------------|-------------------------------|-----------------|
| Unrestricted Funds | | | |
| General fund | 168,500 | 654,887 | 823,387 |
| Restricted Funds | | | |
| <i>Angel Tree</i> , held centrally | - | 10,660 | 10,660 |
| <i>Sycamore Tree</i> courses at specific prisons, held centrally | 12,405 | 2,380 | 14,785 |
| Other groups funds, held by regional groups | 40,257 | (2,004) | 38,253 |
| <i>Angel Tree</i> , held by regional groups | <u>40,775</u> | <u>8,122</u> | <u>48,897</u> |
| | 93,437 | 19,158 | 112,595 |
| TOTAL FUNDS | <u>261,937</u> | <u>674,045</u> | <u>935,982</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|--|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 1,117,160 | (462,273) | 654,887 |
| Restricted funds | | | |
| <i>Angel Tree</i> , held centrally | 36,886 | (26,226) | 10,660 |
| <i>Sycamore Tree</i> courses generally, held centrally | 80,260 | (80,260) | - |
| <i>Sycamore Tree</i> courses at specific prisons, held centrally | 28,567 | (26,187) | 2,380 |
| Other groups funds, by regional groups | 11,431 | (13,435) | (2,004) |
| <i>Angel Tree</i> , held by regional groups | <u>44,332</u> | <u>(36,210)</u> | <u>8,122</u> |
| | 201,476 | (182,318) | 19,158 |
| TOTAL FUNDS | <u>1,318,636</u> | <u>(644,591)</u> | <u>674,045</u> |

Angel Tree - *Angel Tree* provides Christmas presents for the children of prisoners, thus helping family links to be maintained.

Angel Tree funds held centrally - This fund represents *Angel Tree* monies held by PF central office.

Angel Tree funds held by regional groups - This fund represents *Angel Tree* monies held by PF regional groups

Sycamore Tree courses - *Sycamore Tree* courses are accredited programmes for prisoners on victim awareness and restorative justice. These funds represent donations that have been provided specifically to fund these courses; either across the sector, or in specific prisons or groups of prisons.

Other funds held by Regional Groups - This represents balances held by regional Prison Fellowship groups operating throughout England and Wales, for regional Prison Fellowship related activities.

PRISON FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

17. CONTINGENT ASSET

In 2017 the charity received a legacy which included a minority holding of shares in a private company, these have now been sold and the sum of £90,824 was received in August 2018.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2018.