

PRISON REFORM TRUST

England & Wales · Charity number 1035525

Details

Other names	P R T
Status	Registered
Legal form	Charitable company
Company number	02906362
Registered	1994-03-23
Register	View on the Charity Commission register

Contact

Address	Prison Reform Trust 15 Northburgh Street London EC1V 0JR
Phone	02072515070
Email	charlotte.story@prisonreformtrust.org.uk
Website	www.prisonreformtrust.org.uk

Activities

Objects: FOR THE PUBLIC BENEFIT TO FURTHER AND PROMOTE IMPROVEMENTS IN THE PENAL SYSTEM IN THE UK AND THE PREVENTION OF CRIME.

Activities: For the public benefit to further and promote improvements in the penal system in the United Kingdom and the prevention of crime.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,964,302	£2,193,342	£1,407,221	24
2024-03-31	£1,929,784	£1,896,631	£1,636,261	24
2023-03-31	£2,056,029	£1,983,242	£1,603,108	25
2022-03-31	£1,906,759	£1,626,999	£1,530,321	26
2021-03-31	£1,493,191	£1,477,385	£1,250,561	26

Trustees

Name	Role	Appointed
Nicholas Charles Stace OBE	Chair	2024-07-05
Dr Benjamin Crewe		2018-03-01
Dr Hindpal Bhui		2024-12-10
Emma Wilson		2024-12-10
Lord of Haslemere Harold Mark Carter		2023-12-12
Lorna Maden		2025-07-30
Louise Spencer		2023-12-12
Maya Foa		2025-07-30
Muhammad Maqsood Ahmed OBE		2018-12-11
Nigel Newcomen		2019-09-19
Osmond Junior Smart		2017-05-01

PRISON REFORM TRUST

England & Wales - Charity number 1035525

Accounts

Company number: 2906362

Charity number: 1035525

Prison Reform Trust

Report and financial statements

For the year ended 31 March 2025

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Reference and administrative information

For the year ended 31 March 2025

Company number 2906362

Charity number 1035525

Registered office and operational address 15 Northburgh Street
LONDON
EC1V 0JR

Company Secretary Pia Sinha

Country of Registration England & Wales

Country of incorporation United Kingdom

Honorary Positions The Right Honourable the Lord Hurd of Westwell CH, CBE: President

The Right Honourable the Lord Woolf of Barnes CH: Honorary President

Trustees **Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:**

Nicholas Stace OBE: (Chair) Appointed 5th July 2024

Julia Killick CBE: (Chair of Staffing & General Purposes Sub-Committee)

Muhammed Maqsood Ahmed OBE: (Member of Staffing & General Purposes Sub-Committee)

Nigel Newcomen CBE: (Member of Staffing & General Purposes Sub-Committee)

Louise Spencer: (Member of Staffing & General Purposes Sub-Committee and Finance & Fundraising Sub-Committee)

Emma Wilson: (Member of Staffing & General Purposes Sub-Committee and Finance & Fundraising Sub-Committee) Appointed 10th December 2024

Lorna Maden: (Treasurer, Chair of Finance & Fundraising Sub-Committee) Appointed 30th July 2025

Dr. Hindpal Bhui: (Member of Finance & Fundraising Sub-Committee) Appointed 10th December 2024

Maya Foa: Appointed 30th July 2025

Reference and administrative information

For the year ended 31 March 2025

Lord of Haslemere Harold Carter

Professor Dr. Benjamin Crewe

Osmond Junior Smart OBE

Neil Yazdani: (Treasurer, Chair of Finance & Fundraising Sub-Committee)
Resigned 30th July 2025

The Right Honourable the Lord Edward Garnier QC: Resigned 10th
December 2024

Dale Simon CBE: Resigned 10th December 2024

Rebecca Page: (Member of Finance & Fundraising Sub-Committee)
Resigned 10th December 2024

The Right Honourable David Gauke: Resigned 21st October 2024

James Timpson, OBE: (Chair) Resigned 5th July 2024

Key management Pia Sinha (CEO) and Company Secretary

Bankers Lloyds Bank plc
30–34 Moorgate
LONDON, EC2R 6DN

Solicitors Bates Wells & Braithwaite
Cheapside House
138 Cheapside
LONDON, EC2V 6BB

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
LONDON, EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice — Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of the charity are; for the public benefit to further and promote improvements in the penal system in the United Kingdom and the prevention of crime. This report provides an explanation of how the Prison Reform Trust's significant activities fulfil the aims of the charity for the public benefit.

The strategies employed to achieve the charity's objectives, and so create a just, humane and effective penal system, are to inquire into the workings of the system; inform prisoners, staff and the wider public; and influence Parliament, Government and officials towards reform. To do this the Prison Reform Trust combines public education and work through the media with applied research, advocating for change, advice and information and parliamentary work, including provision of the secretariat to the All-Party Parliamentary Penal Affairs Group. Its four major programmes of work during this period were: reducing unnecessary imprisonment; improving prison conditions; promoting equality and human rights; and challenging prejudice against people in prison.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our vision

- A fair, humane and effective justice system.

Our mission

- To achieve positive change for people in prison and the wider criminal justice system.

Our aims

- reduce the unnecessary use of prison.
- improve conditions for prisoners.
- promote equality and human rights in the justice system.

Overview of the year

This is the second reporting year of PRT's CEO Pia Sinha. During the year, and following the election of a new Labour government in July 2024, PRT published its ambitious Strategic Plan for 2024–2029. This marks a pivotal moment for PRT, signalling a fresh approach towards achieving the organisation's vision of a fair, humane, and effective justice system.

The strategic plan is structured around two key lanes: the **foundation lane**, focusing on strengthening core activities like our advice and information service, prisoner engagement, and policy advocacy; and the **innovation lane**, aimed at developing new projects to impact policy and practice on the operational front-line.

PRT's strategic plan is underpinned by core enablers, including its proven track record of influencing policy and practice; its dedicated team who embody the values of integrity and inclusivity; and a robust governance and financial structure. The organisation's history of effecting change in policy and practice, including reforms to the IPP licence and the reversal of eligibility restrictions for open prison conditions, serves as a strong foundation for the goals outlined in the new strategic plan. By leveraging its existing strengths and networks, PRT aims to make a tangible impact on the lives of individuals in prison and drive systemic change within the criminal justice system.

In this reporting year, in line with its strategic plan and with a focus on innovation and collaboration, PRT launched major initiatives including the Next Generation Leadership Programme; Resetting the Approach to Women's Imprisonment; the Hope and Fulfilment Awards; and began work on revised prisoner pay policies to enhance safety and security within prisons. PRT's National Lottery-funded Building Futures programme had a productive year with the launch of several major consultations including on older prisoners and family contact. PRT's advice and information service responded to 11,000 inquiries from people in prison and their families and made 300 safeguarding referrals to prisons relating to risk of self-harm, threats and wellbeing during this reporting period.

PRT's policy and advocacy team successfully negotiated the challenges and opportunities of a momentous year in prison reform. The appointment of PRT's former chair James Timpson as prisons minister, and the launch of an independent sentencing review, chaired by the former justice secretary and PRT trustee David Gauke, provided important opportunities for PRT to advance its aims. As we outline below, many of PRT's recommendations to the review to promote community alternatives, curb the use of imprisonment and improve sentence progression have

been accepted by the government. During this period, PRT also helped to secure improvements to the statutory framework for people with mental health needs in the criminal justice system. Important changes to the statutory framework for the review and termination of IPP licences, which PRT was instrumental in advocating for, also came into effect.

In a bid to ensure positive change for people within the criminal justice system, PRT's priorities are centred on reducing unnecessary imprisonment; improving prison conditions; promoting equality and human rights; and challenging prejudice against people in prison. Below we track our performance in 2024/2025 against these objectives.

Reducing unnecessary imprisonment: change who goes to prison and for how long

End the imprisonment of people serving Sentences of Imprisonment for Public Protection (IPP) and abolish the lifelong IPP licence

PRT's research and advocacy on IPP recalls contributed to the introduction of improved arrangements for the review and termination of an IPP licence in the Victims and Courts Act 2024. Following amendments drafted by PRT and tabled at the House of Lords committee stage, the government introduced further provisions to:

1. Establish a new power for the executive release of recalled IPP prisoners;
2. Enable the government to dismiss an IPP recall in line with the new IPP licence termination arrangements introduced;
3. Require an annual report to Parliament on actions taken to support the release and licence termination of people serving IPPs.

PRT's deputy director Mark Day is a member of the Ministry of Justice's expert challenge group on the IPP sentence. As a member of the group, PRT has advocated for improvements to the government's IPP action plan, contributed to monitoring local implementation, and supported policy development on the IPP recall process.

Challenge sentence inflation and reduce barriers to sentence progression

PRT provided detailed written evidence to the Independent Sentencing Review, which included recommendations to curb sentence inflation and improve sentence progression. Many of PRT's recommendations to the review have been accepted in part or full. These include a presumption against short prison sentences; increased use of suspended and deferred sentencing; standardised release points for determinate sentences; greater use of the open prison estate, the establishment of an expert advisory body on sentencing; and a statutory annual report to parliament on prison capacity.

PRT's Building Futures programme has several consultations in progress to support the development of policy on sentence progression. *Programmed for release? Doing offending behaviour programmes on an indefinite prison sentence*, explores the perspectives of long-term

prisoners and their participation in offending behaviour programmes. *No more sticking plasters: A review of prison release policy and practice in England and Wales*, explores how men and women with first-hand experience of indeterminate and long determinate prison sentences think about prison release. It examines what release means to them, their understanding of current laws, policies and procedures, and their confidence in navigating the system.

The Building Futures Rye Hill working group, in collaboration with the Parole Board, are creating a film on preparing for parole for men convicted of sex offences. A workshop was held in December 2024 with the BBC's producers of the Parole series and Rob McKeon (author of the high impact book 'Parole'). The Building Futures Frankland working group are preparing a report Understanding and improving the Category A review process, which will be published shortly.

Ensure a fair and efficient parole system

PRT's advocacy on the Victims and Prisoners Act 2024 contributed to two key government changes:

1. The proposed power to refuse a parole board decision was revised to allow referral to a court for reconsideration.
2. The proposed power to allow the secretary of state to dismiss the Parole Board chair on the grounds of public confidence was removed.

PRT's advice and information service has responded to over 350 enquiries relating to parole. PRT's head of advice and information Ryan Harman wrote an article for Inside Time about how the Parole Board consider cases where people are maintaining innocence.

Reduce the imprisonment of women

PRT chief executive Pia Sinha is member of the government's Women's Justice Board (WJB), which aims to reduce the number of women in custody. PRT has developed 'Resetting the approach to women in the justice system', a solution focused programme to provide tools for probation practitioners working with women. PRT also submitted detailed recommendations to the sentencing review to reduce women's imprisonment — many of which are reflected in the review's proposals and, if implemented, would significantly reduce the women's prison population.

Divert people from prison who don't need, or are not well enough, to be there

PRT drafted amendments to the Mental Health Bill aimed at strengthening oversight of proposals to end the use of prison being used as a place of safety and to enforce a 28-day transfer limit from prison to secure hospitals. These amendments led to commitments by the government to ensure greater accountability for delivery against the 28-day transfer limit. PRT's annual local area data on women's justice has contributed to recommendations in the sentencing review for the government to review the impact of the 'assault of emergency workers' legislation.

Reduce the recall and remand populations

PRT provided detailed written evidence to the Independent Sentencing Review, including recommendations to abolish fixed term recall and provide judicial oversight of standard recall. The review's proposals advocated for a tighter threshold for recall and the abolition of standard recall for standard determinate sentenced prisoners. It proposed the introduction of a new fixed term recall period of 56 days with the possibility for this to be extended in exceptional circumstances.

Promote non-custodial alternatives

PRT chief executive Pia Sinha joined the Bishop of Gloucester and the Times journalist Rachel Sylvester on a fact-finding visit to the Netherlands to explore the country's use of non-custodial alternatives. Insights from the visit were shared at a roundtable chaired by the Bishop. PRT's evidence to the sentencing review called for greater use of community-based alternatives, backed by sufficient investment in probation. These proposals were reflected in the review's recommendations, including increased funding for community sentence treatment requirements, liaison and diversion services, and the expansion of intensive supervision courts.

Improve life in prison

Reduce demand on prison and levels of overcrowding

PRT provided detailed written evidence to the Independent Sentencing Review, including recommendations to reduce demand on prison places and curb overcrowding. Many of these recommendations have been accepted and the review's proposal would, if implemented, reduce the prison population by 9,500 according to the review's own assessment. The review also accepted PRT's recommendations to establish an expert advisory panel on sentencing and a statutory annual report to parliament on prison capacity.

Work to achieve prison regimes which are safe, decent, fair and purposeful

PRT's advice and information service made 300 safeguarding referrals to prisons relating to risk of self-harm, threats and wellbeing during this reporting period, and plans to share collated information about these with the prison service. The service continued to inform prisoners about recent updates to prison safety policy via Ryan Harman's monthly Inside Time article.

Provide accurate and up to date advice and information to people in prison

PRT's advice and information service responded to over 11,000 enquiries from people in prison and their families, providing advice across a wide range of prison policies and processes. The service has maintained a comprehensive selection of information sheets and booklets about prison, which are available to people contacting the service and to the public through our website. Ryan Harman has written monthly articles in Inside Time about key policy changes and issues affecting people who call the service. The service has liaised with HMPPS departments about how best to communicate changes with prisoners.

Provide prisoners with opportunities to shape the policies they are subject to

PRT's Building Futures programme, through its programme of working groups in prisons and its wider network of people with lived experience, provided substantive opportunities for prisoners to shape prison policy. The programme currently has 92 working group members and 902 network members. PRT staff co-facilitated 103 working group sessions and an additional 10 engagement groups during this reporting period. This engagement programme enabled prisoner contributions of to several Building Futures consultations, including reports on ageing in prison and family contact. The working group at Rye Hill published its own report on ageing in prison. The programme also facilitated meetings between prisoners and key officials, including HMPPS Director General Chief Executive Phil Copple at Frankland, and the Governing Governor at Send prison.

Encourage innovation and the sharing of best practice in how prisons are run

PRT's Next Generation Leaders programme seeks to influence senior leaders to focus on improved outcomes for prisoners. The improvement projects, which are part of course requirements, will introduce 19 new innovative projects within prisons. An evaluation of the programme led by PRT's research manager Sophie Ellis is currently in progress.

The Hope and Fulfilment awards is our new scheme to recognise and reward the achievements of people in prison, where prisoners can nominate their fellow prisoners for an award and a prize. Staff and volunteers can also nominate people who are currently in custody. It is an open competition to encourage as much participation as possible, with the proviso that each nomination form is endorsed by a governor or director. The awards are open for nominations from 01 March to 31 May 2025. During June and July our judging panel of experts by experience will look at a short list of nominations and choose 10 winners and 10 commendees.

Ensure better access to in cell technology and the internet

PRT published "Update and restart: Post-pandemic prison digitalisation in England and Wales". The report reviews digitalisation in five key areas of prison life, and reports on the crucial role of culture in expanding secure digital access in prisons. It calls on the government to take decisive steps and recommends the digitalisation of resettlement services; as well as the piloting of secure and limited internet access in all resettlement prisons, and an open prison to risk-assessed prisoners, to support rehabilitation and resettlement in the community.

PRT has secured funding to develop secure versions of our advice web pages for in cell laptops. Start on this work has been delayed due to changes at HMPPS but we hope to commence on the project at the beginning of 2026.

Increase access to home detention curfew and release on temporary licence

PRT's advice and information service responded to 154 enquiries about HDC and 44 on ROTL. PRT engaged with HMPPS ROTL policy leads, contributing previous advocacy work to inform the ROTL policy review. PRT also made representations to the sentencing review to increase the use of HDC.

However, the review has proposed replacing HDC with an earlier release point combined with an earned release scheme.

Challenge prejudice against, and promote knowledge and understanding of, people in prison

Give prisoners a chance to speak for themselves and share their insights

Since October 2024, Building Futures working groups have informed the policy work of the Reducing Reoffending Third Sector Advisory Group. The group is convened by Clinks and provides advice to ministers and officials on reducing reoffending. There is a 'long-term prisoner seat' within this group, largely because of the efforts of Building Futures. The programme lead, David Maguire, holds this seat and draws on the network and groups to influence focus and feed into current priorities. The working groups have also shared insights on prison education and meaningful activity. As a result, the HMPPS Head of Prison Policy agreed to meet with one of the groups to discuss potential policy recommendations.

Building Futures has produced a bespoke prisoner survey that draws on Measuring Quality of Prison Life dimensions to capture themes relevant to 'hope' and 'fulfilment' among the long-term prisoner cohort. The survey has been distributed with the Building Futures Network and we have received 200 completed surveys to date. Building Futures has recruited a consultant to support with analysis and writing-up, with a draft scheduled for later this year.

Highlight the facts about prisons and promote evidence-based policy

PRT has continued to highlight the facts about prisons and promote evidence-based policy. Key publications included the Bromley Briefings and "Resetting the Approach to Women's Imprisonment". PRT provided an analysis of the changing prison population for the Independent Sentencing Review, which adopted several of our recommendations, and responded to various policy consultations, including the 2025 Spending Review. Additionally, PRT engaged with the Justice Committee inquiry into rehabilitation and resettlement, and contributed to the Scottish Government consultation on the long-term prisoner release process.

PRT has had a particularly successful year in building the evidence base of firsthand prisoner accounts of their experiences. PRT published six consultations conducted with prisoners on issues that matter to them. The third briefing in the Invisible Women series highlighted the issues long sentenced women face in sentence progression. "Race to the top", a Prisoner Policy Network consultation collated the experiences of 661 prisoners on the role of race and ethnicity in their prison sentences. "Growing old and dying inside" described the difficult experience of ageing in prison, and "A long stretch" described how a long sentence affects relationships. These were accompanied by a prisoner-led and authored consultation by the Building Futures network group at HMP Rye Hill. Finally, former CEO Peter Dawson led "Potential unlocked: building a sustainable prison workforce", consulting prisoners on what makes a good prison officer. This was accompanied by a review of the literature focused on areas of prisoner and staff consensus about what being a good officer looks like.

Provide the secretariat to the All-Party Parliamentary Group on Penal Affairs

The APPG has been successfully re-established. Pam Cox MP was elected as chair and Lord Garnier, Tessa Munt MP and Baroness Prashar were elected as officers. The group has been registered with the Office of the Parliamentary Commissioner for Standards. It is in the process of planning its work programme for the coming year.

Publish the Bromley Briefings Prison Factfile

PRT published its flagship Bromley Briefings Prison Factfile in February 2025. This edition focused on the growing number of people being recalled back to custody following release, a significant challenge as HMPPS faces acute press on prison places. In this edition, PRT included a new section on the prison capacity crisis facing England and Wales, with details of the emergency measures introduced to prevent the system running out of places; prison building commitments and delivery; and refurbishment. An online version of the shorter Prison: the facts is also currently in development, and will launch in summer 2025.

Promote equality and human rights in the justice system

Secure a statutory framework of minimum standards of imprisonment

PRT has reestablished regular quarterly meetings with the MOJ operational policy team to increase opportunities to input into policies under review and has already been invited to contribute to a review of segregation policy as a result. PRT's evidence to the sentencing review included recommendations to introduce minimum standards for people held in prison and create statutory definition of the purposes of prison.

Reduce racial disproportionality, including the disproportionate use of force

PRT published "Race to the top" a national consultation to share the perspectives of current serving prisoners and former prisoners and their families on race and ethnicity. The report explores how ethnicity shaped their experience of prison, and discrimination in the system, with the aim of stimulating positive action with clear recommendations for change.

PRT continues to work collaboratively with allied organisations to advocate for a fairer criminal justice system for Black, Asian, Mixed heritage and Muslim people in the UK, including through our membership of the Action for Race Equality National Independent Advisory Group. This work has included challenging the government's emergency legislation on pre-sentence reports.

PRT holds HMPPS to account through its membership of several scrutiny panels, including the External Advice and Scrutiny Panel and Use of Force External Advisory Panel.

Ensure the distinct needs of women, children and young adults in the justice system are met

PRT chief executive Pia Sinha is member of the Women's Justice Board. PRT is a member of the T2A Alliance and is a longstanding member of T2A's campaign management group. A research proposal examining the treatment of young adults in custody is in prospect.

PRT associate Sarah Beresford has continued to develop and pilot the use of 'Child Impact Assessments' with practitioners. This model ensures that children who are impacted by a family member's incarceration feel listened to and included in decision-making about their needs and support.

Achieve better outcomes for vulnerable groups, including people with mental health needs, learning disabilities and neurodiverse conditions

PRT drafted amendments to the Mental Health Bill to further improve the statutory framework for people with mental health needs in prison and the wider justice system. PRT associate Nick Hamilton is working in HMPs Isis and Belmarsh to design and deliver a neuroinclusive regimes. PRT are a member of the Expert Advisory Panel for the use of force, where they seek to challenge the disproportionate use of force amongst minoritised groups within HMPPS. PRT's advice service has responded to over 432 enquires about mental health in this period, with 59 relating to neurodiversity. PRT has advocated directly with prison and healthcare services for assurances around support in some of these cases.

Ensure the health and social care needs of an aging prison population are met

PRT published Growing Old and Dying Inside, a report authored by Dr Jane Price in partnership with the Prison Reform Trust's Building Futures Programme. The report recommends the introduction of a national strategy on older prisoners and provides insights into the age-specific experiences of men and women aged 50 and over who are serving prison sentences of 10 years or more. Based on consultation with 121 men and women in 39 prisons in the UK, it aims to influence positive changes that would provide a more humane prison experience that recognises the distinct needs of this group.

The Building Futures programme also published A Long Stretch: The challenge of maintaining relationships for people serving long prison sentences. The report is based on a consultation with 133 men and women between the age of 18 and 75, serving long prison sentences in 38 prisons in the UK. The report explores the impact that a range of relationships (and their absence) have on the lives of people serving long sentences. Both reports were commended by the prisons minister and shared with the Ministerial Board on Deaths in Custody.

Building Futures has also established a forum at HMP Usk with a significant ageing prison population.

Structure, governance, and management

Governing document

The company is established under a memorandum of association, which sets out its objects and powers as a charitable company and is governed under its articles of association. In this year, a new strategic plan was agreed by the Board for the period 2024–2029.

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page one. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2025 was 11, (31 March 2024:13).

Organisation

The Prison Reform Trust is a small organisation with clear objectives, a high national profile and a strong track record of achieving policy and practice change. It is governed by an experienced and knowledgeable Board of Trustees which meets four times a year. It operates within an equal opportunities policy the implementation of which is kept under review. Oversight of personnel matters and risk management is maintained by its Staffing and General Purposes sub-committee. Oversight of money is overseen by the Finance and Fundraising sub-committee. Management and development of the charitable company is delegated to its director, Pia Sinha, who is accountable to the Chair. Reports are submitted as required to Companies House and the Charity Commission by the company secretary. Systems for line management, appraisal, staff development and supervision are in place together with grievance and complaints procedures.

The organisation is a charitable company limited by guarantee, incorporated on 3 March 1994 and registered as a charity on 23 March 1994.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration policy

The Prison Reform Trust aims to pay salaries which are fair, competitive with the charity sector and proportionate to the complexity of each role. In determining the right level of pay PRT uses the National Joint Council for Local Government Services pay scales and job evaluations as guidance. All staff are entitled to 7% of their gross salary as a non-contributory pension payment. The Prison Reform Trust ensures all staff are paid above the living wage as defined by the Living Wage Foundation, as well as paying above the London Living Wage.

Trustee induction and training

Nick Stace OBE was appointed as Chair of Trustees on the 5 July, following James Timpson OBE being appointment as Minister of State at the Ministry of Justice.

The Rt. Hon David Gauke retired as a trustee following his appointment as Chair to the Independent Sentencing Review commissioned by the Ministry of Justice in October 2024.

Following a process by which the Staffing and General Purposes Sub-Committee considers the board's needs in terms of its overall experience and skills, and the diversity of its membership, new trustees are invited to join the board.

Opportunities to visit prisons alongside Prison Reform Trust staff are made available to those who wish to take them up. As far as possible, NCVO guidelines are followed regarding induction and training. Outside of the formal meetings structure there is a good level of trustee involvement in steering major programmes and project advisory work.

Fraud

Through the vigilance of our staff, we were extremely sad and disappointed to discover a sizeable systemic fraud carried out by a former employee, in a position of trust and authority, which dates back to 2016.

Everyone has responded to this discovery in a prompt and professional manner. Management and the board took immediate action instigating an investigation by external forensic specialists. Legal advice was also taken early and continued. The Charity Commission were also updated promptly as required under the serious incident reporting regime. As a consequence of the investigation, a private prosecution was initiated during the financial year and concluded in the summer of 2025. This resulted in a conviction. Since then steps have been successfully taken to recover costs from Central Funds via the Criminal Cases Unit. More information on the costs and recovery is included in note 4 to the financial statements. Prompt action was taken soon after the discovery of the suspected fraud to share the situation with funders to provide them with reassurance on actions being taken by PRT.

Learning from this event started immediately on discovery and we continue to implement additional safeguards which will ensure that all our income is protected; our significant reserves were untouched. A lessons learned report has been prepared and shared with the board to improve our internal financial controls from the detailed day to day to the governance and culture of the charity. Money intended to be spent on charitable activities was stolen from PRT, and therefore could not be used for its intended purpose in support of our beneficiaries. However, because of the specific nature of this fraud there were no significant and immediate impacts upon our delivery of any specific streams of work.

Financial review

In the financial year 2024/25 overall expenditure exceeded income by £229,040 (2023: income exceeded expenditure by £33,153). Total incoming resources for the year to 31 March 2025, including legacies, grants, and donations, were £1,964,302, compared to £1,929,784 in 2024.

There was an increase in single donations over the year but this was offset by a reduction in legacy income.

Unrestricted grant, donation, subscriptions, and legacy income show an increase of approximately 26% (£219,676) from £852,409 in 2023 to £1,072,084 in 2024, (note 2). This increase was mainly due to a single donation of £200,000 by Nia and Michael Taylor.

'Other trading activities' in the Statement of Financial Activities refers to fee income of £49,985 in 2024. This is an increase of £27,344 compared to 2023. This increase was mainly due to a reimbursement of £30,000 from the University of Leicester for the evaluation of Reconnect services.

Overall unrestricted income was £1,099,687 an increase of £219,297 (25%) from 2023 when unrestricted overall income was £880,391.

The Prison Reform Trust received significant donations and grants towards core costs from the John Armitage Charitable Trust; the Bernard Lewis Charitable Trust; the Esmée Fairbairn Foundation; the AB Charitable Trust; the Hadley Trust; the JLeon Charitable Fund; the Highway One Trust; the 29th of May 1961 Charitable Trust; the PR & SH Southall Charitable Trust and the Jolanta & Max Neufield Trust.

The Alchemy Foundation granted a sum restricted for use towards the fundraising costs and salary. This has been included in unrestricted totals.

Legacies derived from the estates of John Moore, Edward Agar, Sheila Haigh, and Marian Millington (note 2).

Restricted income shows approximately 18% decrease of £184,778, from £1,049,393 (2024) to £864,615 (2025). This is mainly due to a reduction of £164,000 in grants towards our Prisoner Engagement programme.

Further details of funders who generously provided support for restricted funding programmes during the year are shown in note 3. This includes The Hadley Trust that continues to support our Advice and Information service.

Total resources expended in the year amounted to £2,193,342, compared to £1,896,631 in the previous financial year, an increase of approximately 16% and amounting to £296,711. Net assets at the year-end totalled £1,407,221 (2023: £1,636,261) of which approximately 5% were

represented by fixed assets, (2023:4%). The charity's net liquid assets at the year-end covered approximately 8 months' total operating costs, (2023:10).

In the 2024/25 financial year £62,902 unrestricted reserves were transferred to restricted funds by the Prison Reform Trust to support Prisoner Engagement (£51,163) and other core programmes (2024: £10,000).

Principal risks and uncertainties

The Trust's risk register is considered at bi-monthly senior management team meetings and forms part of the director's report to quarterly board meetings. It is also considered periodically by both finance and general purposes sub committees.

The SMT underwent a risk refresh exercise in July 2025. There were no risks that were considered high. The risk register was reviewed by Trustees and these were the two highest scoring risks:

- Governance

The charity continues to prioritise strong governance practices to ensure effective oversight and strategic direction. Risks identified over the past year include gaps in trustee skills, potential conflicts of interest, and the need for robust risk management. Mitigation measures have been actively pursued, including an enhanced recruitment process for Trustees with clearer role descriptions. Oversight is maintained through finance and fundraising, and general purposes subcommittees, senior management team engagement, and quarterly Board meetings. Annual audits and transparent reporting mechanisms further strengthen accountability, ensuring the charity remains resilient and aligned with its mission.

- Reputational

Our reputation is vital to influencing policy, securing access to prisons, and maintaining donor confidence. Maintaining public trust and credibility remains a core focus for the Prison Reform Trust. Key reputational risks include adverse publicity, restricted access to prisons or policymakers, and potential disruption to funded work with beneficiaries. To mitigate these risks, we have strengthened internal policies and improved strategic planning. Efforts are ongoing to strengthen stakeholder relationships—including with media, supporters, and beneficiaries—and a crisis management strategy is being developed to ensure the charity is prepared for any future challenges.

The board's structure of quarterly meetings with a finance sub-committee and a general purposes sub-committee working to it works well, and the process of the board tenure procedures continues.

In 2024–25 six staff left the charity including the Head of Finance and the Head of Prisoner Engagement. Our ability to attract candidates of quality when posts fall vacant continues to be high, with seven appointments during the year including our new Head of Finance; Head of

Operations; and Head of Development. We continue to look for a diverse and talented workforce and encourage applications from those with lived experience of prison.

Reserves policy and going concern

Although the Prison Reform Trust is fortunate in the breadth of its donor base, the trustees believe that in the absence of endowments, and with few guaranteed recurrent grants, the charity should aim to maintain liquid reserves sufficient to cover at least three months' total anticipated expenditure. At least one-third (or one month) should be held as unrestricted, free liquid reserves.

Free reserves, which are unrestricted funds not designated or held as fixed assets, total £630,700 (2023: £597,954) for the financial year (3 months total expenditure on 2024–25 results). (2023: nearly 4). Restricted funds total £709,071 (2023: £967,307), 4 months total expenditure. (2023: 6 months). Together, amounting to £1,339,772 and 7 months (2023: £1,565,261, 10 months).

Designated funds consist of a lease with a value of £67,450.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees and the management team have reviewed all expected income and expenditure projections and have concluded that, together with the reserves, there is a reasonable expectation that the Prison Reform Trust has adequate resources to continue in operational existence for the foreseeable future. The Prison Reform Trust, therefore, continues to adopt the going concern basis in preparing its financial statements.

Fundraising

The Prison Reform Trust has the benefit of a small fundraising team which comprises a full-time Head of Development (generously part-funded by The Alchemy Foundation), a full-time Trusts and Foundations Officer, and a part-time Development Officer. The Prison Reform Trust is registered with the Fundraising Regulator and the Information Commissioner's Office.

Most of our funding across restricted and unrestricted areas comes from grants awarded upon application, from charitable trusts and foundations.

We also receive money from individual donors, corporations, legacies, and members of our Friends scheme, (subscriptions).

We do not use direct marketing, telemarketing, street collections, sponsorships, or any other form of fundraising, other than that stated above. The Prison Reform Trust complies fully with fundraising regulations and codes and has not received any complaints with regards to its fundraising activities. The Prison Reform Trust considers if people may be vulnerable or be in

vulnerable circumstances—if we have reasonable grounds for believing that a potential donor lacks the capacity to decide to support us, then a donation will not be taken. If a donation has already been made, and at the time of donating the individual lacked capacity (and we receive evidence of this) then we will return that donation.

We do not use professional fundraisers or commercial participators, or any third parties.

Volunteers and gifts in kind

The Prison Reform Trust benefits from the input of volunteers across the organisation, in particular to support our Advice and Information Service for people in prison and work on our Building Futures Programme. Their time, skills (including lived experience) and dedication enhance service delivery, improve efficiency and increase our capacity, and strengthen community engagement. While volunteer contributions are not reflected in the financial statements, they represent significant value and impact, which are acknowledged here as part of our annual report.

Statement of responsibilities of the trustees

The trustees (who are also directors of Prison Reform Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 situation 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 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' annual report

For the year ended 31 March 2025

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2025 was 11 (2024: 13). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year. Sayer Vincent have been our auditors for 10 years now therefore a tender process will begin in 2025 for new auditors.

The trustees' annual report has been approved by the trustees on 5th November 2025 and signed on their behalf by

Nicholas Stace OBE
Chair

Opinion

We have audited the financial statements of the Prison Reform Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2025 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 Prison Reform Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' 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 the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

Prison Reform Trust

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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

Prison Reform Trust

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditor's 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.

Judith Miller (Senior statutory auditor)

18 November 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Prison Reform Trust

Statement of financial activities(incorporating an income and expenditure account)

For the year ended 31 March 2025

		2025			2024		
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Grants, donations and legacies	2	1,072,084	70,000	1,142,084	852,409	450	852,859
Charitable activities	3						
1 Reducing unnecessary imprisonment		–	365,018	365,018	–	384,867	384,867
2 Improving treatment & conditions for prisoners and their families		–	303,212	303,212	–	566,120	566,120
3 Promoting equality and human rights in the justice system		–	–	–	–	–	–
4 Informing the public, Parliament and policy development		–	87,000	87,000	–	78,500	78,500
Other trading activities		10,600	39,385	49,985	3,185	19,456	22,641
Interest		17,003	–	17,003	24,797	–	24,797
Total income		1,099,687	864,615	1,964,302	880,391	1,049,393	1,929,784
Expenditure on:							
Raising funds		119,965	–	119,965	59,965	–	59,965
Charitable activities							
1 Reducing unnecessary imprisonment		434,936	496,089	931,025	347,802	390,512	738,314
2 Improving treatment & conditions for prisoners and their families		275,164	497,662	772,826	220,038	498,751	718,789
3 Promoting equality and human rights in the justice system		62,134	93,724	155,858	49,686	143,329	193,015
4 Informing the public, Parliament and policy development		115,391	98,278	213,669	92,274	94,274	186,548
Total expenditure	4	1,007,589	1,185,753	2,193,342	769,765	1,126,866	1,896,631
Net income / (expenditure) for the year	5	92,098	(321,138)	(229,040)	110,626	(77,473)	33,153
Transfers between funds	15	(62,902)	62,902	–	(10,000)	10,000	–
Net movement in funds		29,196	(258,236)	(229,040)	100,626	(67,473)	33,153
Reconciliation of funds:							
Funds brought forward		668,954	967,307	1,636,261	568,328	1,034,780	1,603,108
Total funds carried forward		698,150	709,071	1,407,221	668,954	967,307	1,636,261

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Prison Reform Trust

Balance sheet

Company no. 2906362

As at 31 March 2025

			2025	2024
	Note	£	£	£
Fixed assets:				
Tangible assets	10		67,450	71,000
Current assets:				
Cash at bank and in hand		1,473,096	1,571,736	
Short term deposits		–	–	
Debtors	11	58,290	24,736	
		1,531,386	1,596,472	
Liabilities:				
Creditors: amounts falling due within one year	12	(191,615)	(31,211)	
Net current assets			1,339,771	1,565,261
Total net assets			1,407,221	1,636,261
The funds of the charity:	15			
Restricted income funds			709,071	967,307
Unrestricted income funds		630,700	597,954	
Designated funds (lease)		67,450	71,000	
Total unrestricted funds:			698,150	668,954
Total charity funds			1,407,221	1,636,261

Approved by the trustees on 5th November 2025 and signed on their behalf by

Nicholas Stace OBE
Chair

Prison Reform Trust

Statement of cash flows

For the year ended 31 March 2025

Reconciliation of net expenditure to net cash flow from operating activities

	2025	2024
	£	£
Net income for the reporting period (as per the statement of financial activities)	(229,040)	33,153
Depreciation charges	17,047	12,709
Interest income	(17,003)	(24,797)
Increase in debtors	(33,554)	31,881
Increase in creditors	160,404	(18,715)
Net cash from/(used in) operating activities	(102,146)	34,231

	2025	2024
	£	£
Net cash from/(used in) operating activities	(102,146)	34,231
Cash flows from investing activities:		
Interest income	17,003	24,797
Purchase of fixed assets	(13,497)	(9,159)
Net cash used in investing activities	3,506	15,638
Change in cash and cash equivalents in the year	(98,640)	49,869
Cash and cash equivalents at the beginning of the year	1,571,736	1,521,867
Cash and cash equivalents at the end of the year	1,473,096	1,571,736

1 Accounting policies

a) Statutory information

Prison Reform Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 15 Northburgh Street, London, EC1V 0JR.

b) Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

f) Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

j) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs, and
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Reducing unnecessary imprisonment	43%
• Improving treatment & conditions for prisoners & their families	28%
• Promoting equality & human rights in the justice system	6%
• Informing the public, parliament in the justice system	12%
• Support costs	5%
• Governance costs	6%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Reducing unnecessary imprisonment	49%
• Improving treatment & conditions for prisoners & their families	31%
• Promoting equality & human rights in the justice system	7%
• Informing the public, parliament in the justice system	13%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Service charges are charged quarterly over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold property	2%
• Computer equipment	100%
• Fixtures & fittings	25%

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Long term deposits refer to maturity of one year from opening.

1 Accounting policies (continued)

p) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably 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 normally recognised at their settlement amount after allowing for any trade discounts due.

q) Pensions

The Prison Reform Trust contributes towards employees' personal pension plans with costs being charged to the Statement of Financial Activities as they fall due. The Prison Reform Trust contributes to staff pensions at the rate of 7% on gross salaries. Pensions can be taken out by all staff on all contracts.

2 Income from charitable activities (unrestricted)

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Grants (see below for list of funders)	439,251	755,230	1,194,481	266,000	1,029,487	1,295,487
Gifts & donations	506,597	70,000	576,597	261,622	450	262,072
Legacies	126,236	–	126,236	324,786	–	324,786
Other	27,603	39,385	66,988	27,982	19,456	47,438
	1,099,687	864,615	1,964,302	880,391	1,049,393	1,929,784
Unrestricted charitable activity–Grants						
Esmée Fairbairn Foundation	60,000	–	60,000	60,000	–	60,000
Hadley Trust	50,000	–	50,000	50,000	–	50,000
J Leon Charitable Fund	15,000	–	15,000	15,000	–	15,000
Alchemy Foundation	17,250	–	17,250	15,000	–	15,000
AB Charitable Trust	50,000	–	50,000	44,000	–	44,000
Emmanuel Kaye Foundation	–	–	–	15,000	–	15,000
Porticus UK	–	–	–	15,000	–	15,000
29th May 1961 Charitable Trust	12,000	–	12,000	12,000	–	12,000
John Armitage Charitable Trust	110,000	–	110,000	–	–	–
Bernard Lewis Charitable Trust	75,000	–	75,000	–	–	–
Highway One Trust	15,000	–	15,000	10,000	–	10,000
SR & PH Southall Trust	10,000	–	10,000	10,000	–	10,000
Jolanta and Max Neufeld Trust	10,000	–	10,000	–	–	–
Other	15,001	–	15,001	20,000	–	20,000
Total unrestricted income from charitable activities	439,251	–	439,251	266,000	–	266,000

Legacies derived from the estates of: John Moore (£40,000), Edward Agar (£31,661), Sheila Haigh (£18,000) and Marian Millington (£10,000).

The value of services provided by advisors and volunteers is not incorporated into these financial statements. Acknowledgement of their contribution can be found in the Report of the Trustees.

3 Income from charitable activities (restricted)

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Reducing unnecessary imprisonment						
National Lottery	–	344,868	344,868	–	344,867	344,867
The Triangle Trust	–	20,150	20,150	–	–	–
Esmée Fairbairn Foundation	–	–	–	–	20,000	20,000
The Jabbs Foundation	–	–	–	–	20,000	20,000
Sub-total for reducing unnecessary imprisonment	–	365,018	365,018	–	384,867	384,867

3 Income from charitable activities (restricted) continued

	Unrestricted	Restricted	2025 Total	Unrestricted	Restricted	2024 Total
	£	£	£	£	£	£
Improving treatment and conditions for prisoners and their families						
Hadley Trust	-	150,000	150,000	-	150,000	150,000
Dawes Trust	-	-	-	-	100,000	100,000
Dulverton Trust	-	-	-	-	15,000	15,000
Porticus UK Foundation	-	-	-	-	65,000	65,000
Goldsmiths' Company	-	-	-	-	30,000	30,000
Blagrove Trust	-	-	-	-	33,000	33,000
Lankelly Chase Foundation	-	4,212	4,212	-	40,000	40,000
Bernard Lewis Family Trust	-	30,000	30,000	-	50,000	50,000
Garfield Weston	-	-	-	-	50,000	50,000
Hadley Trust	-	-	-	-	23,120	23,120
J Leon Charitable Fund	-	-	-	-	10,000	10,000
Wills General Fund	-	2,000	2,000	-	-	-
Simon Gibson CT	-	20,000	20,000	-	-	-
PF Charitable Trust	-	3,000	3,000	-	-	-
Montier Charitable Trust	-	10,000	10,000	-	-	-
GC Gibson	-	10,000	10,000	-	-	-
BPL Global	-	10,000	10,000	-	-	-
Albert Hunt Trust	-	25,000	25,000	-	-	-
Wilmington Trust	-	2,000	2,000	-	-	-
The Dulverton Trust	-	25,000	25,000	-	-	-
Firebird Foundation	-	10,000	10,000	-	-	-
Eleanor Rathbone Charitable Trust	-	2,000	2,000	-	-	-
Sub-total for improving treatment & conditions for prisoners & their families	-	303,212	303,212	-	566,120	566,120
Promoting equality & human rights in the justice system						
The Open Society Foundation	-	-	-	-	-	-
Sub-total for promoting equality & human rights in the justice system	-	-	-	-	-	-
Informing the public, Parliament & policy development						
The Bromley Trust	-	50,000	50,000	-	40,000	40,000
Barrow Cadbury Trust	-	37,000	37,000	-	38,500	38,500
Sub-total for informing the public, Parliament & policy development	-	87,000	87,000	-	78,500	78,500
Total restricted income from charitable activities	-	755,230	755,230	-	1,029,487	1,029,487

4a Analysis of expenditure (current year)

	Charitable activities							2025 Total £	2024 Total £	
	Cost of raising funds £	Improving treatment & conditions for prisoners & their families				Informing the public, Parliament, and policy development £	Governance costs £			Support costs £
		Reducing unnecessary imprisonment £	Promoting equality & human rights in the justice system £							
Staff costs (Note 6)	106,289	249,535	345,902	15,461	67,941	–	487,625	1,272,753	1,259,188	
Travel, training & subsistence	286	40,079	8,788	997	67	554	13,671	64,442	67,279	
Research & consultancy fees	420	86,965	57,904	31,251	6,050	–	66,620	249,210	203,834	
Events, legal & professional fees	1,651	1,386	8,140	–	5,126	–	247,723	264,026	21,341	
Office & premises	–	–	–	–	–	–	22,392	22,392	23,842	
Finance, audit & insurance	–	–	–	–	–	–	25,983	25,983	24,869	
Printing & publications	504	7,801	10,615	–	4,496	–	9,935	33,351	18,158	
Beneficiary engagement	–	4,460	7,183	–	–	–	–	11,643	8,309	
Administration & support	–	103,800	49,120	11,015	3,000	–	(166,935)	–	–	
Depreciation	–	–	–	–	–	–	17,047	17,047	12,709	
Other costs	10,815	2,063	10,010	35,000	11,598	746	162,263	232,495	257,101	
	119,965	496,089	497,662	93,724	98,278	1,300	886,324	2,193,342	1,896,631	
Support costs	–	434,299	274,761	62,043	115,222	–	(886,324)	–	–	
Governance costs	–	637	403	91	169	(1,300)	–	–	–	
Total expenditure 2025	119,965	931,025	772,826	155,858	213,669	–	–	2,193,342		
Total expenditure 2024	59,965	738,314	718,788	193,015	186,548	–	–		1,896,631	

During the year, a fraud was discovered that was carried out between August 2016 and Oct 2023. An independent investigation was instigated and legal advice taken. The value of the fraud in 2025 was £Nil and the value of the fraud in 2024 was £43,464. The total value of the fraud over the time period was £307,414. Included within expenditure in 2024/25 are Forensic Accountants fees of £96,908 and Legal advice fees of £63,222, this includes the cost of the prosecution which had commenced at the year end and continued into the summer of 2025. The charity's expenditure is considered materially complete. Post year end the charity was able to make claims from Central Funds through the Criminal Cases Unit. 93% of costs were recovered post year end and will be recognised as income in 2025/26.

4b Analysis of expenditure (prior year)

	Charitable activities						Support costs	2024 Total
	Cost of raising funds	Reducing unnecessary imprisonment	Improving treatment & conditions for prisoners & their families	Promoting equality & human rights in the justice system	Informing the public, Parliament, and policy development	Governance costs		
	£	£	£	£	£	£	£	£
Staff costs (Note 6)	51,850	190,910	402,104	35,887	80,208	–	498,229	1,259,188
Travel, training & subsistence	1,287	17,502	29,703	6,744	10	559	11,473	67,279
Research & consultancy fees	–	67,079	25,274	61,919	1,770	–	47,792	203,834
Events, legal & professional fees	–	75	3,725	–	238	–	17,303	21,341
Office & premises	–	–	–	–	–	–	23,842	23,842
Finance, audit & insurance	–	–	–	–	–	870	23,999	24,869
Printing & publications	–	8,179	1,998	–	1,789	–	6,192	18,158
Beneficiary engagement	–	1,025	7,159	–	–	–	125	8,309
Administration & support	–	100,723	5,000	11,000	3,000	–	(119,723)	–
Depreciation	–	–	–	–	–	–	12,709	12,709
Other costs	6,828	5,020	23,787	27,779	7,259	103	186,325	257,101
	59,965	390,512	498,751	143,329	94,274	1,532	708,268	1,896,631
Support costs	–	347,051	219,563	49,579	92,075	–	(708,268)	–
Governance costs	–	750	475	107	199	(1,532)	–	–
Total expenditure 2024	59,965	738,314	718,788	193,015	186,548	–	–	1,896,631

Notes to the financial statements

For the year ended 31 March 2025

5 Net Income / (expenditure) for the year

This is stated after charging / (crediting):

	2025	2024
	£	£
Depreciation	17,047	12,709
Auditor's remuneration (including VAT):		
Audit	14,160	13,500
Trustee's indemnity insurance	1,015	870
	17,047	12,709

There were no fees for non-audit services.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	1,037,953	1,009,948
Redundancy and termination costs	13,705	63,242
Social security costs	113,796	113,527
Employer's contribution to defined contribution pension schemes	64,276	63,648
Employer's contribution to personal pension schemes	7,323	8,824
	1,237,053	1,259,188

The following number of employees received employee benefits (excluding employer pension costs and national insurance) during the year between:

	2025	2024
	No.	No.
£60,000 – £69,999	1	2
£70,000 – £79,999	–	1
£80,000 – £89,999	–	1
£90,000 – £99,999	1	–

The total employee benefits (including pension contributions and national insurance) of the key management personnel were £107,808 (2024: £105,248).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £671 (2024: £558) incurred by 4 (2024: 4) members relating to attendance at meetings and planning awaydays of the trustees. Training expenses were £nil (2024: £nil). Hospitality and refreshments totalled £445, and insurance £1,015.

7 Staff numbers

The average number of employees (head count based on number staff employed) during the year was 24 (2024: 24).

Staff deployment

	2025 Approx. head count	2024 Approx. head count
Reducing unnecessary imprisonment	4.7	4.5
Improving treatment & conditions for prisoners & their families	8	9
Promoting equality & human rights in the justice system	.6	1.5
Informing the public, parliament in the justice system	3.1	4
Support	7.6	4
	24.0	23

8 Related party transactions

No grants were received from any organisation for whom a PRT trustee, is also a trustee (2024:nil).

Aggregate donations from related parties were £230 (2024: £81,701).

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Leasehold property £	Computer equipment £	Total £
Cost or valuation			
At the start of the year	177,500	–	177,500
Additions in year	–	13,497	13,497
At the end of the year	177,500	13,497	190,997
Depreciation			
At the start of the year	106,500	–	106,500
Charge for the year	3,550	13,497	17,047
At the end of the year	110,050	13,497	123,547
Net book value	67,450	–	67,450
At the end of the year	67,450	–	67,450
At the start of the year	71,000	–	71,000

All of the above assets are used for charitable purposes.

11 Debtors

	2025 £	2024 £
Other debtors	4,328	121
Prepayments	22,582	21,215
Accrued income	31,380	3,400
	58,290	24,736

12 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	36,849	15,108
Taxation, social security, pensions	1,272	1,571
Charge card	3,229	5,112
Accruals & deferred income (note 13)	150,265	9,420
	191,615	31,211

13 Deferred income

	2025 £	2024 £
Balance at the beginning of the year	–	30,000
Amount released to income in the year	–	(30,000)
Amount deferred in the year	6,000	–
Balance at the end of the year	6,000	–

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	67,450	–	67,450
Net current assets	630,700	–	709,071	1,339,771
Net assets at the end of the year	630,700	67,450	709,071	1,407,221

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	71,000	–	71,000
Net current assets	597,954	–	967,307	1,565,261
Net assets at the end of the year	597,954	71,000	967,307	1,636,261

15a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	425,296	344,868	466,201	–	303,963
Criminalising Trauma – Womens Prog	40,000	20,150	29,888	–	30,262
Improving treatment & conditions for prisoners & their families					
Advice & information service	49,002	195,000	246,012	2,010	0
Prisoner engagement	44,447	43,597	139,207	51,163	–
Active citizens–improving regimes	–	–	–	–	–
Next Generation Leadership HMPPS	33,120	–	10,242	–	22,878
Neuroinclusive Regimes	–	110,000	56,240	–	53,760
Parole Success	100,000	–	20,960	–	79,040
Prisoner Reward and Recognition Scheme	–	27,000	4,546	–	22,454
Child Impact Assessments	15,000	37,000	20,455	–	31,545
Promoting equality & human rights in the justice system					
Disability in prison–global	258,029	–	93,724	–	164,305
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	5,002	18,500	22,638	–	864
Bromley Briefings Prison Factfile	(7,425)	50,000	45,280	2,705	(0)
Communications & policy	4,836	18,500	30,360	7,024	0
Total restricted funds	967,307	864,615	1,185,753	62,902	709,071
Unrestricted funds:					
Designated funds:					
Fixed asset fund	71,000	–	3,550	–	67,450
Total designated funds	71,000	–	3,550	–	67,450
Unrestricted income fund	597,954	1,099,687	1,004,039	(62,902)	630,700
Total unrestricted funds	668,954	1,099,687	1,007,589	(62,902)	698,150
Total funds	1,636,261	1,964,302	2,193,342	–	1,407,221

The narrative to explain the purpose of each fund is given at the foot of the note below.

15b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	535,941	344,867	390,512	(65,000)	425,296
Criminalising Trauma – Womens Prog	–	40,000	–	–	40,000
Improving treatment & conditions for prisoners & their families					
Advice & information service	30,149	250,000	231,147	–	49,002
Prisoner engagement	20,822	187,906	267,603	103,322	44,447
Active citizens–improving regimes	28,322	–	–	(28,322)	–
Next Generation Leadership HMPPS	–	33,120	–	–	33,120
Parole Success	–	100,000	–	–	100,000
Child Impact Assessments	–	15,000	–	–	15,000
Promoting equality & human rights in the justice system					
Disability in prison–global	401,358	–	143,329	–	258,029
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	6,781	19,250	21,029	–	5,002
Bromley Briefings Prison Factfile	–	40,000	47,425	–	(7,425)
Communications & policy	11,407	19,250	25,821	–	4,836
Total restricted funds	1,034,780	1,049,393	1,126,866	10,000	967,307
Unrestricted funds:					
Designated funds:					
Fixed asset fund	74,550	–	3,550	–	71,000
Total designated funds	74,550	–	3,550	–	71,000
Unrestricted income fund	493,778	880,391	766,215	(10,000)	597,954
Total unrestricted funds	568,328	880,391	769,765	(10,000)	668,954
Total funds	1,603,108	1,929,784	1,896,631	–	1,636,261

15 Purposes of restricted funds

In the financial year ended 31 March 2025, the Prison Reform Trust operated the following programmes through restricted funding:

Reducing unnecessary imprisonment

Building Futures: Funded by the National Lottery, this is a five-year programme focusing on how long sentences impact prisoners, their families and wider communities.

Resetting the approach to women in the justice system: Funded by the The Jabbs Foundation, Esmee Fairbairn, Triangle Trust. A solutions focused piece of work looking at the barriers and challenges to significantly reducing the women's prison population. The work will be collaborative, include data gathering and use of case study material to highlight good practice. Ultimately to suggest a blueprint for change.

Improving treatment & conditions for prisoners and their families

Advice & Information Service: Funded by the Hadley Trust, and the Bernard Lewis Family Trust, the Prison Reform Trust's advice and information service responds to thousands of queries a year from prisoners, their friends and families, and from people working with prisoners.

Prisoner engagement: Funded by Lankelly Chase, University of Leicester and Lloyds Bank Foundation, the prisoner engagement programme involves and seeks views from those affected by the criminal justice system.

Next Generation Leadership: Funded by the Hadley Trust, J Leon. Supporting the next generation of prison service leaders to improve life in prison for all that live and work there.

Neuroinclusive Regimes: Funded by Albert Hunt Trust; Hamilton R&L; Simon Gibson CT; Montier CT; BPL Global and GC Gibson CT. This is to pilot a prison regime that would be more likely to help prisoners with ADHD and other neurodivergent conditions to progress through their prison sentence, limiting the obstacles along the way.

Parole Success-Data First: The Dawes Trust supports this work. In partnership with researchers, Dr Tim McSweeney and Russell Webster, PRT is harnessing the opportunity offered by Data First to conduct research on the risk and protective factors associated with post release rates of recall to custody, any custodial reconviction and any custodial reconviction for a further serious offence for parolees in England and Wales

Child Impact Assessments: The Dulverton Trust, Eleanor Rathbone Charitable Trust and Firebird Foundation supports this work focusing on disseminating information about, and implementing the use of, Child Impact Assessments.

Promoting equality & human rights in the justice system

Disability in prisons, global: This work is funded by the Open Society Foundation. This foundation gave funding in a previous financial year to expend over future financial years.

Informing the public, Parliament & policy development

All Party Parliamentary Penal Group: The Prison Reform Trust is funded by the Barrow Cadbury Trust to organise and provide the secretariat to meetings.

Bromley Briefings Prison Factfile: The Bromley Trust funds towards the bi-annual compilation, publication and dissemination of Prison: the Facts.

Communications & policy: The Barrow Cadbury Trust supports the communication and policy function.

Transfers

The reason for transfers at the Prison Reform Trust is to apply cash from unrestricted funds to finance a deficit on restricted funds.

The total amount transferred from unrestricted funds to finance deficits in restricted programmes totals £62,902 for the financial year (2024: £10,000).

Purposes of designated funds

Designated funds consist of: a single fixed asset fund, representing the lease at 15 Northburgh Street. There remains 20 years at the current rate of amortisation.

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 2906362

Charity number: 1035525

Prison Reform Trust

Report and financial statements

For the year ended 31 March 2024

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Reference and administrative information

For the year ended 31 March 2024

Company number 2906362

Charity number 1035525

**Registered office
and operational
address** 15 Northburgh Street
LONDON
EC1V 0JR

Company Secretary Pia Sinha

**Country of
Registration** England & Wales

**Country of
incorporation** United Kingdom

Honorary Positions The Right Honourable the Lord Hurd of Westwell CH, CBE: President

The Right Honourable the Lord Woolf of Barnes CH: Honorary President

Trustees **Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:**

Nicholas Stace OBE: (Chair) Appointed 5 July 2024

James Timpson OBE: (Chair) Resigned 5 July 2024

Muhammed Maqsood Ahmed, OBE: (Member of Staffing & General Purposes Sub-Committee)

The Right Honourable the Lord Keith Bradley PC: (Vice Chair) Resigned 12 December 2023

The Lord Harold Carter of Haslemere CB: Appointed 12th December 2023

Shadae Cazeau Resigned 19 March 2024

Mifta Choudhury: (Member of Staffing & General Purposes Sub-Committee) Resigned 19 March 2024

Professor Dr Benjamin Crewe

Geoff Dobson OBE: (Member of Finance & Fundraising Sub-Committee) Resigned 12 December 2023

Reference and administrative information

For the year ended 31 March 2024

The Right Honourable the Lord Edward Garnier QC

The Right Honourable David Gauke

Julia Killick CBE: (Chair of Staffing & General Purposes Sub-Committee)

Dr Catherine Knowles: (Treasurer, Chair of Finance & Fundraising Sub-Committee) Resigned 12 December 2023

Nigel Newcomen CBE: (Member of Staffing & General Purposes Sub-Committee)

Rebecca Page: (Member of Finance & Fundraising Sub-Committee)

Dale Simon CBE

Osmond Junior Smart OBE

Louise Spencer

Neil Yazdani: (Treasurer, Chair of Finance & Fundraising Sub-Committee) Appointed 12 December 2023

Key management

Peter Dawson Director (retired 14 April 2023)

Pia Sinha CEO and Company Secretary (appointed 1 April 2023)

Samantha O'Sullivan Head of HR & Finance (resigned 31 December 2023)

Bankers

Lloyds Bank plc
30-34 Moorgate
LONDON, EC2R 6DN

Solicitors

Bates Wells & Braithwaite
Cheapside House
138 Cheapside
LONDON, EC2V 6BB

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON, EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice — Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of the charity are; for the public benefit to further and promote improvements in the penal system in the United Kingdom and the prevention of crime. This report provides an explanation of how the Prison Reform Trust's significant activities fulfil the aims of the charity for the public benefit.

The strategies employed to achieve the charity's objectives, and so create a just, humane and effective penal system, are to inquire into the workings of the system; inform prisoners, staff and the wider public; and influence Parliament, Government and officials towards reform. To do this the Prison Reform Trust combines public education and work through the media with applied research, advocating for change, advice and information and parliamentary work, including provision of the secretariat to the All-Party Parliamentary Penal Affairs Group. Its four major programmes of work during this period were: reducing unnecessary imprisonment; improving treatment and conditions for prisoners and their families; which includes the rehabilitative impact of prison, contribution to the prevention of crime; promoting equality and human rights in the justice system; and informing the public, Parliament and policy development.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our purpose

To create a just, humane and effective penal system.

Our vision

We will influence decision makers, opinion formers and the public to:

Reduce the use of prison. That is about who goes to prison and for how long, and means:

- only the most serious crime should result in a sentence of imprisonment
- prison sentences should not be so long that they destroy hope and should always make full and constructive use of time inside

Improve conditions for prisoners, which requires:

- a framework of rights for prisoners as citizens
- a safe, decent, fair and purposeful way of life in prison
- the opportunity for prisoners to make amends to those they have harmed; and to take responsibility for creating a better future for themselves
- a prison estate that is not overcrowded; and allows a prisoner to remain a member of the community to which they will return

Promote equality and human rights in the criminal justice system, by:

- tackling discrimination
- protecting and improving the statutory framework for those rights

How we work

All the work we do is underpinned by the following core principles:

- Listening to and providing a voice for prisoners and their families; and promoting their role in making change happen
- Organisational credibility, built on sound governance and finance, and exceptional colleagues with experience from multiple perspectives, knowledge and integrity
- Knowing the limits of our strengths and expertise; and working closely with partners to have a bigger impact overall
- Not accepting money directly from central government, to preserve our freedom to say whatever needs to be said
- Influencing policy makers by gathering, analysing and publishing the facts; promoting good practice and celebrating success; understanding the realities but seeing the possibilities
- Principled opportunism: seizing the chance to make progress when it's there
- Retaining a memory for what has happened in the past; and drawing out the learning from it

Our work in furtherance of our vision is organised under four broad challenges for the period of our 5-year strategic plan (2018–23):

- Reducing unnecessary imprisonment: Change who goes to prison and for how long
- Improving treatment and conditions for prisoners and their families: Improve life in prison
- Promoting equality and human rights in the justice system
- Informing the public, Parliament and policy development; Get the facts about prisons and prisoners better known

Overview of the year

This marks the first reporting year for our new CEO, Pia Sinha. Following Pia's appointment, trustees agreed to postpone the drafting of a new strategic plan—extending the current plan by a year to March 2024. This has allowed for a stable transition following the arrival of a new CEO, as well as affording a period of reflection for the organisation to develop our new strategic five-year plan—which will be published imminently.

Despite the change in leadership, many of the challenges that we outlined in our last annual report remain, and in some cases have become even more acute—most notably the rapid rise of the prison population and the shortfall in prison places. The Prison Reform Trust has been at the forefront of this debate, highlighting the shortcomings of the government's attempts to build its way out of overcrowding and advocating for strategies focused on reducing demand for prison places.

Staffing remains another key challenge facing the prison service, despite significant efforts to recruit. Both numbers and experience remain lower than in 2010, and turnover remains swift, with a quarter of officers leaving after less than a year in post.

An overcrowded, understaffed, and crumbling prison estate is a recipe for failure. Whilst a crisis can trigger defensiveness, it can also act as a launch pad for bold reform—and there are signs that the government may, belatedly, have begun to understand this, with the announcement of progressive measures, which rely on evidence rather than rhetoric. These include a presumption against short prison sentences; and expanding eligibility for Home Detention Curfew—both of which PRT has long advocated for.

In addition, a number of key priorities for PRT have also seen progress over the last year. We have helped to secure long overdue reforms to the Imprisonment for Public Protection (IPP) sentence—which will see over a quarter of all those who received an IPP free of the sentence by March 2025. We have successfully advocated for changes to eligibility criteria for open prisons, which were hindering the progress of people serving indeterminate sentences and those serving longer extended sentences. We have delayed the possible introduction of the pain inducing PAVA spray in our children's prisons; and continued to uncover and highlight evidence of its disproportionate use on young Black and Muslim men in prison. And we have successfully mitigated the impact of

the government 's proposed changes to the parole system in working to secure amendments to the Victims and Prisoners Bill.

All of these are causes for celebration in a sector where the wins are few and hard fought for. However, we also want to highlight the positive work taking place in our prisons and be a constructive voice for reform. We want to celebrate those who are succeeding despite the system—not because of it, and to support those who wish to step up as the next generation of prison leaders.

Within the organisation our immediate priorities have focused on securing our immediate and medium-term financial stability; recognising what PRT does best and needs to protect—our 'foundation lane'—and our 'innovation lane' of future funded projects which will focus on delivery on the operational frontline; and managing a period of workforce changes with the recruitment of new key roles to set the organisation on a sound footing for the medium term—including the recruitment and appointment of Nick Stace as our new Chair. This year has been a time of transition; planning and success—setting us up to deliver on our ambitious new plan for the next five years.

Performance in 2023/24

In the following sections we track performance against all the strategic plan objectives, picking up the specific ambitions described in last year's annual report but also detailing a wide range of other work both in pursuit of the strategic plan objectives and in response to the issues created by conditions in prison and the criminal justice system more generally.

Reducing unnecessary imprisonment; change who goes to prison and for how long

End the imprisonment of people serving Sentences of Imprisonment for Public Protection (IPP), and abolish the lifelong IPP licence

PRT helped secure reforms that have greatly reduced the odds of an IPP licence being lifelong, and will see over a quarter of all those who received an IPP free of the sentence by March 2025. The Victims and Prisoners Act 2024 shortens the qualifying period that people serving IPP must wait for a review of their lifelong licence from ten years after first release to three years, and automatically ends a person's IPP sentence two years after an unsuccessful review if they avoid recall (known as the sunset period). This is the first time in the history of IPP that an automated pathway off the sentence has been created. The reforms will be applied retrospectively once the Act comes into force, and the Government estimated that around 1,800 people will have had their IPP sentenced ended by March 2025.

The reforms are in line with recommendations made by PRT in our 2020 research report on IPP recalls which recommended a reduction in the qualifying period to five years. PRT originally drafted and supported amendments to reduce the qualifying period during the parliamentary

debate on the Police, Crime, Sentencing and Courts Act, and also advocated for this policy change as part of its evidence to the Justice Committee inquiry on IPP sentences.

In its announcement of the measures, the Government referred to the “broad consensus” against the IPP sentence. PRT played a key role in building this consensus, as evidenced in the joint briefing we led on the reforms, signed by 11 prominent organisations, including the Howard League, Liberty, Amnesty International, and the expert professional bodies for psychiatrists, psychologists and Probation Officers.

PRT contributed to political pressure that added pathways to ending the ‘recall merry-go-round’ for IPPs. PRT drafted 17 IPP-related amendments to the Victims and Prisoners Bill, and brought multiple organisations together to support them. These resulted in additional concessions from the Government which increase the chances of re-release for recalled IPP prisoners. They may now be re-released on a discretionary basis by the Secretary of State without reference to the Parole Board, if they believe it is safe to do so (a power previously reserved for determinate sentenced prisoners). The SoS may also dismiss any recall from counting against the sunset period. These measures will help ensure people recalled for minor infractions, or charges which are later dropped are less likely to remain trapped in the ‘recall merry-go-round’. These reforms are also in line with PRT’s 2020 research on IPP recalls.

PRT helped to shape policy and procedural reforms aimed at progressing unreleased IPP prisoners. PRT is an active member of the HMPPS IPP Stakeholder Challenge Group. The group is composed of senior HMPPS officials and external stakeholders, who are consulted on the HMPPS IPP action plan. PRT has advised and challenged on a range of proposals to progress unreleased IPP prisoners. We also drafted amendments that resulted in new legislation requiring the Secretary of State to lay an annual report before parliament detailing work to progress IPP prisoners. These are significant steps forward in transparency and accountability, which we will build on to continue our advocacy for the unreleased cohort of IPPs.

PRT enhanced the recognition of DPP prisoners as a distinct group (people who received IPP as children). PRT contributed supporting evidence to parliamentarians, and drafted amendments aimed at securing additional concessions for people sentenced to Detention for Public Protection (DPP): the variant of IPP given to 326 children. This resulted in the new qualifying period for an IPP licence review being set at three years for IPPs and two years for DPPs, reducing the time people sentenced as children must wait before an opportunity to end their sentence. The annual IPP progress report to parliament must also specifically detail steps taken to progress DPPs, and PRT has contributed to plans for achieving this via the HMPPS IPP Stakeholder Group. These are all steps towards ending the imprisonment of a subset of IPP prisoners who have suffered a particularly egregious injustice due to their young age at sentencing.

The reforms outlined below could not have been won without the coalition of organisations and individuals whom PRT has worked with during the IPP campaign. PRT would like to thank all of the organisations who contributed to the joint briefing, and Dr Laura Janes, for her invaluable contribution to parliamentary activity.

Find out what the public, including victims, think about punishment, and challenge sentence inflation

PRT raised public awareness of contemporary prison reform issues through a lecture by former Prime Minister John Major. The lecture was [held at the Old Bailey on 9th May 2023](#). It achieved significant national media coverage, including an article by Matthew Parris in the Times. It was also referenced by Alistair Carmichael MP in the second reading debate on the Victims and Prisoners Bill.

PRT provided expert written and oral evidence to the Justice Committee's inquiry on public understanding and opinion on sentencing. The committee's report reflected and adopted many of the recommendations made by PRT and the independent commission into the experience of victims and long-term prisoners—to which PRT provided the secretariat—[including its call for a national debate on sentencing](#).

PRT provided evidence and submissions to legislation and statutory consultations relevant to this aim including:

- The Sentencing Bill
- The Ministry of Justice's murder sentencing consultation
- The Ministry of Justice's open justice consultation
- A number of sentencing guideline consultations, including on the imposition of community/custodial sentences

Divert people from prison who don't need, or are not well enough, to be there

PRT [provided written evidence](#) to the House of Lords Justice and Home Affairs Committee inquiry on community sentences.

Reduce recall and remand populations

PRT is working collaboratively as part of a group of criminal justice organisations to explore solutions to address the growing number of people being recalled back to prison, and its contribution to the prison capacity crisis.

Ensure a fair and effective parole system

PRT successfully lobbied for the reversal of new rules restricting indeterminate sentenced prisoners from progressing to open conditions. In July 2023 the government announced that it was reversing changes to the open conditions transfer criteria, originally made in June 2022. The

announcement followed a long campaign by PRT highlighting the damaging consequences of the changes.

PRT helped to secure amendments to the Victims and Prisoners Act 2024 to mitigate the impact of the government 's proposed changes to the parole system. PRT submitted detailed written evidence at each parliamentary stage of the bill. In the House of Lords, we drafted amendments and supported peers to table and present them in the committee and report stages. PRT coordinated an influential cross sector coalition of mental health, human rights and criminal justice organisations in support of the amendments. In response to concerns raised, the government:

- **Amended** the power to refuse a Parole Board decision to a power to refer a decision to another court.
- **Removed** provision from the bill that would have enabled the secretary of state to dismiss the Parole Board chair on the grounds of public confidence.

We have ensured that people impacted by the reforms to parole have access to up to date and accurate information through our advice service. We have achieved this through our articles in Inside Time and the production of accessible information sheets and policy updates. These resources have also been disseminated through our Building Futures Network and Prisoner Policy Network to ensure it reaches those who need it.

Reduce the imprisonment of women and ensuring their needs are met

PRT successfully secured funding to enable the delivery of a new programme focusing on reducing women's imprisonment in April 2024. The programme, which is due to run until October 2025, is funded by Esmee Fairbairn, JABBS and The Triangle Trust. This solution-focused programme aims to reset the approach to women's imprisonment. It will explore the barriers to reducing the women's prison population and identify good practice. The programme will also contribute to delivering on our aims to reduce the remand and recall population; and to divert people from the system who don't need to, or are not well enough, to be there.

We have analysed local sentencing data for women to inform our new programme on reducing women's imprisonment. In October 2023 we published '[at a glance](#)' data tables summarising the use of custody for women in each local police force area between 2014–2022. This was followed in May 2024 by the publication of detailed breakdowns of the use of imprisonment for women in each police force area in England and Wales in 2022. Factsheets have already been disseminated widely, including to all recently elected Police and Crime Commissioners.

We have continued to hold the government to account for the implementation of the Female Offender Strategy Delivery Plan through our membership of the Women in the Criminal Justice System Expert Group.

We have collaborated with women serving long prison sentences to produce our latest 'Invisible Women' briefing on sentence progression. Published in April 24, as part of the Building Futures programme, the briefing was launched with an [exclusive](#) in the Independent. [Emily Evison and Claudia Vince wrote an article for the Prison Service Journal on the experience of women serving long sentences](#)

Improving life in prison

End overcrowding by having fewer people in prison

The prison system is facing one of the most acute capacity challenges it has ever had to deal with. A succession of increasingly desperate emergency measures have been introduced over the course of this reporting year to try and mitigate the challenge of where to hold people.

The Prison Reform Trust has been at the forefront of this debate, highlighting the shortcomings of the government's attempts to build its way out of overcrowding and advocating for strategies focused on reducing demand for prison places.

This year we have focused attention on the issue of overcrowding by:

- Providing written and oral evidence to the Justice Committee's inquiry 'Future prison population and estate capacity'.
- Preparing briefings to assist Parliamentary scrutiny during the passage of the Victims and Prisoners Bill; Sentencing Bill; Criminal Justice Bill and the 2023 King's Speech.
- The publication of our 2023 edition of Prison: the facts, [with a press launch on the impending prison capacity crisis](#).
- Publishing a series of articles and providing media briefing and comments on the necessary measures to avert the prison capacity crisis.
- Supporting the introduction of emergency measures, including the extension of eligibility for Home Detention Curfew (which PRT advocated for in our 2021 briefing).

Help to make prisons safe, decent, fair and purposeful

We have launched a Next Gen Leadership project in 2023 to improve life in prison for all those who live and work there. The rapid turnover of prison leaders and staff has robbed the service of its institutional experience of how to deliver safe and effective prisons, as well as the belief and aspiration that things can be different. By supporting the next generation of prison service leaders, we aim to address this, and in doing so improve life in prison for all that live and work there.

We continue to provide scrutiny and challenge to the Ministry of Justice and HM Prison and Probation Service through our membership of the Expert Advisory Panel on the Use of Force and the Ministerial Board on Deaths in Custody.

Challenge restrictions which are not a “necessary consequence of imprisonment”

We have challenged the introduction of a £900 cap on prison accounts. This has limited people's ability to save for their release and accept payments such as compensation or inheritance where they had no external bank account. This particularly affects people serving longer sentences who have had little access to prisoner banking services usually offered to people closer to the end of their sentence. We wrote a summary of the concerns being raised through our advice service and presented them to policy leads at HMPPS. Whilst we have not yet seen an increase the cap, HMPPS confirmed that a banking option has been identified for people on longer term sentences.

Improve the way of life for the longest serving prisoners, for older prisoners, and for those in solitary

We have successfully advocated for changes to eligibility criteria for open conditions. These criteria were preventing people who were serving longer extended sentences from being considered for open conditions in advance of their first parole date—limiting their opportunities to demonstrate their suitability for release. Following concerns raised to us through our advice service, PRT produced detailed briefing and had regular engagement with the relevant policy leads to bring about a change in the criteria in line with our recommendations

We have worked with listening forums, prisoner-led consultations and research networks to launch four publications this year as part of our Building Futures Programme. The programme was established to explore the experience of men that will spend 10 or more years in prison and eight years or more for women.

[Invisible Women: Understanding women's experiences of long-term imprisonment](#) released its third briefing on progression. This shines light on a small but increasing proportion of women in prison who are facing significant barriers to progressing through their sentence.

[Information booklet for people serving a life sentence](#). This lifer guide was produced in collaboration with Ryan and the Advice and Information Team. Building Futures published the first edition of this information booklet. This is now a hard copy that has been disseminated to people in our network and promoted through Inside Time.

[The Very Long-Term Prison Population in Scotland](#), a scoping document. The Building Futures Programme commissioned the Scottish Advocacy and Research Collective (SPARC) to compile a scoping document to better understand the impact of long-term imprisonment in Scotland.

[*Locked in? Achieving penal change in the context of crisis and scandal.*](#) This discussion paper encourages a conversation about the tools and resources needed to navigate a more principled course during times of extraordinary turmoil.

Building Futures has brought together prisoners with people whom they would not normally have access to. This included facilitated meetings between prisoners and former prisoners with HMPPS staff, senior prison staff and members of professionals from think tanks and advocacy organisations.

Improve access to in cell technology and the internet

PRT's planned research report on digital prisons was put on hold following the retirement of PRT's head of research and the departure of PRT's research officer. The project will be resumed, and the briefing updated following the appointment of a new research manager which is expected in July 2024.

Provide better access to information and advice, especially through schemes run by prisoners

Our advice and information service has responded to over 10,200 enquiries in the last year. We have proactively sought information about current policy developments and emerging issues to share with people in prison and their loved ones.

We have continued to provide prisoners with the latest policy changes and information through our monthly article in Inside Time. Subjects covered in the last year include reforms to the IPP sentence licence; changes to Home Detention Curfew eligibility; cell sharing risk assessments; the publication of a new use of force policy; and how Offending Behaviour Programmes are being prioritised in light of current backlogs.

We have worked with HMPPS to improve prisoners' access to our information sheets through cell laptops. Working with the HMPPS digital team who manage accessible content on cell laptops we now have a consistent agreement about the way our information sheets will be displayed and updated.

We have been working with HMPPS to develop a project which could enable people in prison to access a secure and live version of our website through the Launchpad system on cell laptops. This is an exciting opportunity to extend the reach of our advice resources, particularly as in-cell technology rolls out in the prison estate more widely.

We have worked with HMPPS staff to promote awareness of a new information hub that has been created with the aim of improving information for staff and providing resources to foreign nationals in prison.

Increase access to release on temporary licence (ROTL)

Our work to improve access to open conditions means that more people should be able to access the rehabilitative benefits of ROTL. The direct impact of two of our policy achievements this year—(1) the reversal of rules restricting indeterminate sentenced prisoners from progressing to open conditions; and (2) the removal of arbitrary rules preventing people serving longer extended sentences from accessing open conditions in advance of parole; should mean that more people in the system will be able to access the rehabilitative benefits of ROTL, which will in turn improves opportunities to demonstrate progress at parole.

Getting the facts about prison and prisoners better known

Make prisoners' views central to all that we do, give them the chance to speak for themselves, and keep them informed

PRT has made significant progress in building the membership and impact of our ground-breaking Prisoner Policy Network (PPN). The PPN now has over 900 prisoners, 500 former prisoners, their families and 29 supporting organisations as members and continually recruits. The PPN seeks to create a collective approach to user involvement in the criminal justice sector and increase visibility and impact of integration of lived experience leadership.

We have finalised our fifth report of the Prisoner Policy Network, focussing on the perspectives of currently serving and former prisoners as well as their families to understand how their own ethnicity had impacted on their time in prison. In total 662 people took part, including a small number of prison staff, and the final report will be published in June 2024.

We have kept network members updated with significant changes to the parole process and ensured they have accurate information during a period of fast paced change. In addition to our face-to-face work in prisons, our quarterly Network News; community mailouts; and articles in Inside Time enable us to disseminate information to our members and seek their input.

We have facilitated meetings between prisoners at HMP Rye Hill and the CEO of the Parole Board; and prisoners at HMP Frankland and the Category A Review Team to improve understanding of the Cat A review process and share their experiences of it.

We have developed a broad range of collaborations, partnerships and speaking engagements with universities and other relevant organisations, both directly and with individual PPN members. This has included:

- **Unlocked Graduates**—where members of the PPN have been involved in recruitment panels.
- **Fair Trials**—to examine the evidence on how data inaccuracy can feed into errors in the calculation of prisoners' risk scores. Incorrect assessments can have far reaching implications for prisoners, including their progression. A final report will be published in 2024.

- University of Manchester—community members have been engaged in projects on women's experience of self-harm in prison; continuity of care for women who self-harm post release; and the social care need of women in prison.
- Prison Service Journal—promoting co-authorship in academic research with those formerly incarcerated by working with Shadd Maruna to edit a special issue of PSJ published in March 2024, with seven papers co-authored by academics and PPN members.

Tell the success stories and challenge prejudice

At a time when all we are hearing from our prisons are stories of despair, we have been mindful of the need to also celebrate success and highlight best practice.

We have amplified the findings of HM Inspectorate of Prisons' (HMIP) reports for prisons which have bucked the trend, often through visible, determined and compassionate leadership. As well as their thematic reports, including 'Improving behaviour in prisons', which supported many of the findings of the work of the Prisoner Policy Network's consultations on incentives and tackling violence in prison.

We have shared good practice and positive outcomes following the adoption of the Child Impact Assessment Toolkit. PRT Associate Sarah Beresford has published a number of blogs to demonstrating practice change by agencies using the Child Impact Assessments she has co-developed with children affected by parental imprisonment.

We have continued to educate the public on prison life and conditions. Our Head of Prisoner Engagement Paula Harriott has recorded a new series of podcast [The Secret Life Of Prisons](#).

Publish the Bromley Briefings Prison Factfile

We published our flagship Bromley Briefings Prison Factfile in February 2024 and Prison: the facts in June 2023. The February 2024 edition was the first following the appointment of our new chief executive Pia Sinah. This edition focused on the hard-fought policy achievements of the past months, including the reconsideration by ministers to introduce reforms to the Imprisonment for Public Protection (IPP) sentence; and the reversal of measures which prevented people from progressing in their sentences.

We have developed new material to enhance public understanding of prison sentences. We have introduced a new 'Prison sentences explained' section which covers how each type of prison sentence works; the different prison functions; and addressing common questions from the public such as 'why don't people spend their entire prison sentence in custody?'.

Produce original research with practical relevance, including work on employment for people convicted of sex offences

PRT's head of research Dr Kimmett Edgar retired in June 2023. PRT chose not to recruit to a number of core vacancies—including research—in order to manage appropriate cash flow. Therefore, PRT was without a core research lead for the majority of the reporting year. PRT is recruiting a research manager and plan to appoint in July 2024.

Educate and influence the public, policy makers and politicians

We have achieved a combined reach of 21.2 million in print media, and 2.4 billion in online media with multiple mentions in key national publications including The Guardian; The Telegraph; The Independent; Daily Express; Daily Mirror; The Times; Financial Times; and The Sun.

We also continue to appear in regular broadcast media, with nearly 350 broadcast mentions over the course of the last year. This has included BBC Radio 4's Desert Island Discs and The Moral Maze; BBC News; Channel 4 News; LBC radio; ITV News; and Sky News.

We continue to expand our social media presence, with over 38,000 followers on X (formerly Twitter); over 19,000 followers on LinkedIn; and 5,000 followers on Facebook.

We have published seven briefings and reports during the course of the year. They have covered topics including progress in delivering on the commitments made in response to the Lammy review; achieving penal change in the context of crisis and scandal; the progression of women serving long sentences; and the continuing disproportionality of the use of PAVA incapacitant spray on Black, Muslim and disabled prisoners.

We have responded to a total of 17 consultations. These have included the Justice Committee's inquiry on the future prison population and estate capacity; the Sentencing Council's consultation on the imposition of community and custodial sentences guideline; and the Justice and Home Affairs Committee inquiry into community sentences.

We have supported MPs and peers in their process of scrutinising three parliamentary bills.

Provide the Secretariat to the Parliamentary All Party Penal Affairs Group

The group has held a regular programme of meetings including with the justice secretary Alex Chalk and the Prison and Probation Ombudsman Adrian Usher. With Paul Maynard's appointment as a government minister, the former prisons minister Andrew Selous was elected as the group's new chair in December 2023.

Promote equality and active citizenship

Promote minimum standards for the treatment of all prisoners

We challenged government proposals in the Criminal Justice Bill to enable the UK to rent prison places in foreign prison establishments. The provisions raised serious questions regarding the parity of regime prisoners would experience, including access to healthcare and family contact. They also raised human rights concerns, including responsibility and oversight mechanisms following alleged acts of torture or ill-treatment; independent monitoring arrangements; and investigatory arrangements.

In response PRT submitted detailed written evidence to the House of Commons public bill committee and prepared amendments to the bill which were tabled and debated by the shadow justice minister Alex Cunningham MP.

Reduce race disproportionality

We have continued to uncover and highlight evidence of the disproportionate use of PAVA incapacitant spray on young Black and Muslim men within prisons. In November we published a briefing which showed that existing inequalities have become entrenched—despite repeated warnings that its introduction would exacerbate existing disproportionate outcomes in use of force. The briefing makes recommendations designed to reduce the disproportionate use of PAVA.

PRT continues to work collaboratively with allied organisations to advocate for a fairer criminal justice system for Black, Asian, Mixed heritage and Muslim people in the UK, including through our membership of the Action for Race Equality National Independent Advisory Group.

We have continued to hold HMPPS to account through our membership of a number of scrutiny panels. These include the External Advice and Scrutiny Panel; Use of Force External Advisory Panel; and the Race Action Programme External Advice and Scrutiny Panel (until its dissolution in March 2024).

Promote active citizenship in prisons

PRT has continued to build on its successful Active Citizens project during the course of this year. We have worked with four prisons, HMP Warren Hill; HMP Frankland; HMP Belmarsh and HMP Garth to identify and agree a prison-based issue they wanted to resolve. The groups were then tasked with defining the problems that the current situation created; identifying who is responsible; consider what the prison was currently doing; and finally produce a set of recommendations to put to the governor. At HMP Warren Hill, a category C prison, participants wished to focus on how people serving long sentences can find hope and personal fulfilment. At HMP Frankland, a high security prison, the group chose to focus on incentives as the prison was in the process of reviewing its local policy.

At HMP Warren Hill senior leaders engaged in follow-up discussions with panel members to work together to implement the recommendations as much as possible. PRT staff returned to the prison to attend a meeting between the Active Citizens panel members; the governor of HMP Warren Hill and senior management team members.

At HMP Frankland the panel members appreciated the process and remarked that it helped them to get their views across to the governors. The panel produced a report which the prison management found helpful. The prison incorporated the group into its official consultation structure.

[Tackle discrimination and ensure necessary reasonable adjustments, especially for prisoners with mental health and learning disabilities, and autism](#)

PRT's advice service has been providing advocacy to a growing number of people experiencing severe mental health problems. Within the last year we have made over 300 safeguarding referrals to prisons. We have also written to healthcare services to seek assurances about peoples' treatment and wellbeing 61 times in the last year.

[Contribute to a better approach for 18 to 24 year-olds in custody](#)

PRT actively promotes the evidence on maturity and the need for a distinct approach to young adults within its policy and advocacy work. This year we have worked to mitigate the impact of the government's proposed changes to the parole system within the Victims and Prisoners Bill, which will have a disproportionate impact on young adults. In addition, our responses to consultations over the course of this year, including submissions on draft sentencing guidelines, advocate for maturity to be considered in decision making and sentencing. PRT also continues to be an active member of T2A's campaign management group and attends regular meetings of the alliance.

[Improve safety for children in custody, and contribute to long term reform of the conditions in which they are held](#)

We have convinced the Youth Custody Service (YCS) and the Ministry of Justice (MoJ) that they need to develop a youth custody strategy. Following seven years of advocacy work, PRT in collaboration with others, have successfully made the case that the absence of a youth custody strategy has led to the current confusion and dysfunction in youth justice policy. We are working with the YCS and MoJ in their consultation exercise.

With the Alliance for Youth Justice and other members, we have strongly advocated that the YCS and MoJ should not approve the use of PAVA incapacitant spray on children in custody. This has at the very least delayed its possible introduction, and we will continue to work with the new Government to explain why doing so would further undermine the safety of children and staff in custody.

We have highlighted the use of guard dogs and stun grenades in children's prisons. This has attracted considerable attention in the national and local press which has highlighted the risks of their use adding to the downward spiral of violence in children's prisons.

We have continued to draw attention to inspection reports from HM Inspectorate of Prisons that have described crisis conditions in a majority of the children's prisons. This may have played a part of the decision to close the troubled children's prisons at HMP Cookham Wood.

We have also raised concerns about the use of children's prisons as a tool to ease capacity constraints in the adult male prison estate. An increasing number of young adults (over 18s) have been placed in children's prisons as a population crisis measure. As a result, the YCS has now launched a review of this approach.

Priorities and new work for 2024–25

The five-year strategic plan for 2018–2023 was due to be replaced by a new five-year plan for 2023–2028, in April 2023. Due to a change in leadership, the process has been delayed, a new strategic plan has now been prepared and will be published imminently.

PRT's work will focus on projects that are outcome focussed and demonstrate the impact of PRT's influence on the day to day lives of people in prison. The charity will seek to strengthen the core "foundation lane" of its work, in providing advice and information; prisoner engagement; and policy advocacy—much of which has already been covered in the preceding sections.

Securing the core "foundation lane" of its work will enable the charity to develop an "innovation lane" of projects focused on delivery on the operational frontline.

The "innovation lane" of our work will draw on the existing skills, capacity and networks of our "foundation lane", and will consist of:

- A Next Generation Leadership programme for aspiring Governors, Probation practitioners and policy leaders.
- Criminalising Trauma—A solution-focused evaluation of why the imprisonment of women remains stubbornly high 25 years after the Corston Report.
- Developing a Reward, Recognition and Active Citizenship award scheme for people in prison.
- Advocating for a revision in the Prisoner Pay Policy, to achieve safer and more secure prison regimes.
- Reporting on prison workforce reform, with particular focus on consultation with prisoners on the future role of the prison officer.

Structure, governance, and management

Governing document

The company is established under a memorandum of association, which sets out its objects and powers as a charitable company and is governed under its articles of association. The Prison Reform Trust is currently working to a five-year strategic plan, published in June 2018. A new five-year strategic plan has been developed and will be published imminently.

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page one. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2024 was 13, (31 March 2023:15).

Organisation

The Prison Reform Trust is a small organisation with clear objectives, a high national profile and a strong track record of achieving policy and practice change. It is governed by an experienced and knowledgeable Board of Trustees which meets four times a year. It operates within an equal opportunities policy the implementation of which is kept under review. Oversight of personnel matters and risk management is maintained by its Staffing and General Purposes sub-committee. Oversight of money is overseen by the Finance and Fundraising sub-committee. Management and development of the charitable company is delegated to its director, Pia Sinha, who is accountable to the Chair. Reports are submitted as required to Companies House and the Charity Commission by the company secretary. Systems for line management, appraisal, staff development and supervision are in place together with grievance and complaints procedures. A strategic plan was agreed by the Board for the period 2018–2023. A new strategic plan will be issued for 2024–2029.

The organisation is a charitable company limited by guarantee, incorporated on 3 March 1994 and registered as a charity on 23 March 1994.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration policy

The Prison Reform Trust aims to pay salaries which are fair, competitive with the charity sector and proportionate to the complexity of each role. In determining the right level of pay PRT uses the National Joint Council for Local Government Services pay scales and job evaluations as guidance. All staff are entitled to 7% of their gross salary as a non-contributory pension payment. The Prison Reform Trust ensures all staff are paid above the living wage as defined by the Living Wage Foundation, as well as paying above the London Living Wage.

Trustee induction and training

James Timpson OBE retired as Chair of Trustees on the 5 July, following his appointment as Minister of State at the Ministry of Justice, and was immediately replaced by Nick Stace OBE.

Following a process by which the Staffing and General Purposes Sub-Committee considers the board's needs in terms of its overall experience and skills, and the diversity of its membership, new trustees are invited to join the board.

Opportunities to visit prisons alongside Prison Reform Trust staff are made available to those who wish to take them up. As far as possible, NCVO guidelines are followed regarding induction and training. Outside of the formal meetings structure there is a good level of trustee involvement in steering major programmes and project advisory work.

Financial review

In the financial year 2023/24 overall income exceeded expenditure by £33,153 (2023: income exceeded expenditure by £72,787). Total incoming resources for the year to 31 March 2023, including legacies, grants, and donations, were £1,929,784, compared to £2,056,029 in 2023.

Income included a grant from the Dawes Trust of £100,000 to support an 18 month programme of research into **Understanding parole success after release from prison in England and Wales 2011–2021**.

Unrestricted grant, donation, subscriptions, and legacy income shows an increase of approximately 25% (£167,490) from £684,919 in 2023 to £852,409 in 2024, (note 2). This increase was mainly due to increased legacy income of £294k.

'Other trading activities' in the Statement of Financial Activities refers to fee income of £22,641. In 2023, 'Other trading activities' comprised £31,283, a decrease of £8,642.

Overall unrestricted income was £880,391 an increase of £159,850 (22%) from 2023 when unrestricted overall income was £720,541.

The Prison Reform Trust received significant donations and grants towards core costs from the Esmée Fairbairn Foundation; the Hadley Trust; the 29th of May 1961 Charitable Trust; the AB Charitable Trust; the PR & SH Southall Charitable Trust; the JLeon Charitable Fund; the Highway One Trust; the Emmanuel Kaye Foundation and Porticus UK.

The Alchemy Foundation granted a sum restricted for use towards the fundraising costs and salary. This has been included in unrestricted totals.

Legacies derived from the estates of Peter Watts and Susan Scott (note 2).

Restricted income shows approximately 21% decrease of £286,095, from £1,335,488 (2023) to £1,049,393 (2024). This is mainly due to the fact that £360,721 was received from the Open Society Foundation, upfront in the previous financial year for a three year programme.

Further details of funders who generously provided support for restricted funding programmes during the year are shown in note 15. This includes The Hadley Trust that continues to support our Advice and Information service.

Total resources expended in the year amounted to £1,896,631, compared to £1,983,242 in the previous financial year, a decrease of approximately 4% and amounting to £86,611. Net assets at the year-end totalled £1,636,261 (2023: £1,603,108) of which approximately 4% were represented by fixed assets, (2023:5%). The charity's net liquid assets at the year-end covered approximately 10 months' total operating costs, (2022:9).

In the 2023/24 financial year £10,000 unrestricted reserves were deployed by the Prison Reform Trust to support programmes (2023: £15,716).

Principal risks and uncertainties

The Trust's risk register is considered at bi-monthly senior management team meetings and forms part of the director's report to quarterly board meetings. It is also considered periodically by both finance and general purposes sub committees.

The board's structure of quarterly meetings with a finance sub-committee and a general purposes sub-committee working to it has worked well, and the process of the board tenure procedures continues.

The finance sub-committee continues to benefit from by the co-option of a specialist member, Neil Yazdani, with specific financial expertise.

In 2023-24 eight staff left the charity including the Chief Executive, Head of Research and the Head of HR & Finance. Our ability to attract candidates of quality when posts fall vacant continues to be high, with six appointments during the year including our new Chief Executive. We continue to look for a diverse and talented workforce and encourage applications from those with lived experience of prison.

The SMT underwent a risk refresh exercise in September 2023 and these were are two highest scoring risks:

- Funding risks
- Organisational Instability

The risk register was signed off at the December 2023 trustee meeting.

Funding risks

In order to mitigate this risk we agreed that we needed to strengthen our reporting mechanisms within the Finance and Fundraising committee meetings. We used our competitor analysis and strategy to identify that we needed to procure experts to help us generate solutions to our fundraising risks. We did this and presented a case for getting additional resource within this function. We now have a Head of Fundraising and Philanthropy in place. Their remit is to strengthen the major donor and philanthropy funding pipeline.

Organisational instability

We identified that better succession planning of trustees and staff needed to take place. It was the first time in PRTs history that the role of Chair of the board was advertised and this procedure is now going to be deployed for filling all future vacancies within the board. All our internal vacancies have been through a robust HR led process that identifies the skills we need. New roles have been created and others have been restructured to align with our vision and our strategic plan. We are progressing well in this regard — we only have one more vacancy to fill and the recruitment process for this is underway.

Reserves policy and going concern

Although the Prison Reform Trust is fortunate in the breadth of its donor base, the trustees believe that in the absence of endowments, and with few guaranteed recurrent grants, the charity should aim to maintain liquid reserves sufficient to cover at least three months' total anticipated expenditure. At least one-third (or one month) should be held as unrestricted, free liquid reserves. Notwithstanding the present difficult economic environment, the charity has developed a strategy to enable it to meet this objective.

Free reserves, which are unrestricted funds not designated or held as fixed assets, total £597,954 (2023: £493,778) for the financial year (nearly 4 months total expenditure on 2023–24 results). (2023: 3). Restricted funds total £967,307 (2023: £1,034,780), 6 months total expenditure. Together, amounting to £1,565,261 and 10 months (2023: £1,528,558, 9 months).

Designated funds consist of a lease with a value of £71,000.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees and the management team have reviewed all expected income and expenditure projections and have concluded that, together with the reserves, there is a reasonable expectation that the Prison Reform Trust has adequate resources to continue in operational existence for the foreseeable future. The Prison Reform Trust, therefore, continues to adopt the going concern basis in preparing its financial statements.

Fundraising

The Prison Reform Trust has the benefit of a part-time development manager, who is a member of the Institute of Fundraising. This role is generously funded and supported by The Alchemy Foundation. The Prison Reform Trust is registered with the Fundraising Regulator and the Information Commissioner's Office.

Most of our funding across restricted and unrestricted areas comes from grants awarded upon application, from charitable trusts and foundations.

We also receive money from individual donors, corporations, legacies, and members of our Friends scheme, (subscriptions).

We do not use direct marketing, telemarketing, street collections, sponsorships, or any other form of fundraising, other than that stated above. The Prison Reform Trust complies fully with fundraising regulations and codes and has not received any complaints with regards to its fundraising activities. The Prison Reform Trust considers if people may be vulnerable or be in vulnerable circumstances—if we have reasonable grounds for believing that a potential donor lacks the capacity to decide to support us, then a donation will not be taken. If a donation has already been made, and at the time of donating the individual lacked capacity (and we receive evidence of this) then we will return that donation.

We do not use professional fundraisers or commercial participators, or any third parties.

Volunteers and gifts in kind

The Prison Reform Trust benefits from the input of volunteers, particularly this financial year from work on the Building Futures programme.

Statement of responsibilities of the trustees

The trustees (who are also directors of Prison Reform Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 situation 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 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.

Trustees' annual report

For the year ended 31 March 2024

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 charitable company 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 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 auditor is unaware.
- 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2024 was 135 (2023: 15). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 24 January 2025 and signed on their behalf by

Nicholas Stace OBE
Chair

Independent auditor's report

To the members of

Prison Reform Trust

Opinion

We have audited the financial statements of Prison Reform Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2024 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 Prison Reform Trust'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.

Independent auditor's report

To the members of

Prison Reform Trust

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 trustees' 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 the audit:

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

Independent auditor's report

To the members of

Prison Reform Trust

- We have not received all the information and explanations we require for our audit; or
- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent auditor's report

To the members of

Prison Reform Trust

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditor's 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.

Judith Miller (Senior statutory auditor)
28 January 2025
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Prison Reform Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Grants, donations and legacies	2	852,409	450	852,859	684,919	–	684,919
Charitable activities	3						
1 Reducing unnecessary		–	384,867	384,867	–	527,467	527,467
2 Improving treatment & conditions for prisoners and their families		–	566,120	566,120	–	373,300	373,300
3 Promoting equality and human rights in the justice system		–	–	–	–	360,721	360,721
4 Informing the public, Parliament and policy development		–	78,500	78,500	–	74,000	74,000
Other trading activities		3,185	19,456	22,641	31,283	–	31,283
Interest		24,797	–	24,797	4,339	–	4,339
Total income		880,391	1,049,393	1,929,784	720,541	1,335,488	2,056,029
Expenditure on:							
Raising funds		59,965	–	59,965	27,014	–	27,014
Charitable activities							
1 Reducing unnecessary		347,802	390,512	738,314	319,691	484,420	804,111
2 Improving treatment & conditions for prisoners and their families		220,038	498,751	718,788	202,254	367,908	570,162
3 Promoting equality and human rights in the justice system		49,686	143,329	193,015	45,670	361,169	406,839
4 Informing the public, Parliament and policy development		92,274	94,274	186,548	84,816	90,300	175,116
Total expenditure	4	769,765	1,126,866	1,896,631	679,445	1,303,797	1,983,242
Net income / (expenditure) for the	5	110,626	(77,473)	33,153	41,096	31,691	72,787
Transfers between funds	15	(10,000)	10,000	–	(15,461)	15,461	–
Net movement in funds		100,626	(67,473)	33,153	25,635	47,152	72,787
Reconciliation of funds:							
Funds brought forward		568,328	1,034,780	1,603,108	542,948	987,373	1,530,321
Total funds carried forward		668,954	967,307	1,636,261	568,583	1,034,525	1,603,108

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Prison Reform Trust

Balance sheet

Company no. 2906362

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	10		71,000		74,550
Current assets:					
Debtors	11	24,736		56,617	
Short term deposits		-		300,000	
Cash at bank and in hand		1,571,736		1,221,867	
			<u>1,596,472</u>	<u>1,578,484</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(31,211)		(49,926)	
			<u>1,565,261</u>		<u>1,528,558</u>
Net current assets			<u>1,565,261</u>		<u>1,528,558</u>
Total net assets			<u><u>1,636,261</u></u>		<u><u>1,603,108</u></u>
The funds of the charity:	15				
Restricted income funds			967,307		1,034,780
Unrestricted income funds		597,954		493,778	
Designated funds (lease)		71,000		74,550	
			<u>668,954</u>	<u>568,328</u>	
Total unrestricted funds:			<u>668,954</u>	<u>568,328</u>	
Total charity funds			<u><u>1,636,261</u></u>	<u><u>1,603,108</u></u>	

Approved by the trustees on 24 January 2025 and signed on their behalf by

Nicholas Stace OBE
Chair

Prison Reform Trust

Statement of cash flows

For the year ended 31 March 2024

Reconciliation of net expenditure to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	33,153	72,787
Depreciation charges	12,709	7,847
Interest income	(24,797)	(4,339)
Decrease in debtors	31,881	5,716
Decrease in creditors	(18,715)	(6,303)
Net cash from/(used in) operating activities	34,231	75,708

	2024 £	2023 £
Net cash from/(used in) operating activities	34,231	75,708
Cash flows from investing activities:		
Interest income	24,797	4,339
Purchase of fixed assets	(9,159)	(4,297)
Net cash used in investing activities	15,638	42
Change in cash and cash equivalents in the year	49,869	75,750
Cash and cash equivalents at the beginning of the year	1,521,867	1,446,117
Cash and cash equivalents at the end of the year	1,571,736	1,521,867

1 Accounting policies

a) Statutory information

Prison Reform Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 15 Northburgh Street, London, EC1V 0JR.

b) Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

f) Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

j) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Reducing unnecessary imprisonment	43%
• Improving treatment & conditions for prisoners & their families	28%
• Promoting equality & human rights in the justice system	6%
• Informing the public, parliament in the justice system	12%
• Support costs	5%
• Governance costs	6%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Reducing unnecessary imprisonment	49%
• Improving treatment & conditions for prisoners & their	31%
• Promoting equality & human rights in the justice system	7%
• Informing the public, parliament in the justice system	13%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Service charges are charged quarterly over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold property	2%
• Computer equipment	100%
• Fixtures & fittings	25%

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Long term deposits refer to maturity of one year from opening.

1 Accounting policies (continued)

p) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably 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 normally recognised at their settlement amount after allowing for any trade discounts due.

q) Pensions

The Prison Reform Trust contributes towards employees' personal pension plans with costs being charged to the Statement of Financial Activities as they fall due. The Prison Reform Trust contributes to staff pensions at the rate of 7% on gross salaries. Pensions can be taken out by all staff on all contracts.

2 Income from charitable activities (unrestricted)

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Grants (see below for list of funders)	266,000	1,029,487	1,295,487	339,000	1,335,488	1,674,488
Gifts & donations	261,622	450	262,072	315,315	–	315,315
Legacies	324,786	–	324,786	30,604	–	30,604
Other	27,982	19,456	47,438	35,622	–	35,622
	880,391	1,049,393	1,929,784	720,541	1,335,488	2,056,029
Unrestricted charitable activity–Grants						
Esmée Fairbairn Foundation	60,000	–	60,000	72,000	–	72,000
Hadley Trust	50,000	–	50,000	50,000	–	50,000
J Leon Charitable Fund	15,000	–	15,000	15,000	–	15,000
Alchemy Foundation	15,000	–	15,000	15,000	–	15,000
AB Charitable Trust	44,000	–	44,000	44,000	–	44,000
Emmanuel Kaye Foundation	15,000	–	15,000	–	–	–
Porticus UK	15,000	–	15,000	–	–	–
29th May 1961 Charitable Trust	12,000	–	12,000	–	–	–
John Armitage Charitable Trust	–	–	–	60,000	–	60,000
Highway One Trust	10,000	–	10,000	10,000	–	10,000
Millward Family Trust	–	–	–	10,000	–	10,000
SR & PH Southall Trust	10,000	–	10,000	10,000	–	10,000
Persula Foundation	–	–	–	20,000	–	20,000
Other	20,000	–	20,000	33,000	–	33,000
Total unrestricted income from charitable activities	266,000	–	266,000	339,000	–	339,000

Legacies derived from the estates of: Peter Watts (£300,000) and Susan Scott (£24,786).

The value of services provided by advisors and volunteers is not incorporated into these financial statements. Acknowledgement of their contribution can be found in the Report of the Trustees.

3 Income from charitable activities (restricted)

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Reducing unnecessary imprisonment						
National Lottery	–	344,867	344,867	–	527,467	527,467
Esmée Fairbairn Foundation	–	20,000	20,000	–	–	–
The Jabbs Foundation	–	20,000	20,000	–	–	–
Sub-total for reducing unnecessary imprisonment	–	384,867	384,867	–	527,467	527,467

3 Income from charitable activities (restricted) continued

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Improving treatment and conditions for prisoners and their families						
Hadley Trust	-	150,000	150,000	-	150,000	150,000
Dawes Trust	-	100,000	100,000	-	-	-
Dulverton Trust	-	15,000	15,000	-	-	-
Porticus UK Foundation	-	65,000	65,000	-	35,000	35,000
Goldsmiths' Company	-	30,000	30,000	-	33,000	33,000
Blagrove Trust	-	33,000	33,000	-	30,400	30,400
Lankelly Chase Foundation	-	40,000	40,000	-	-	-
AB Charitable Trust	-	-	-	-	2,400	2,400
Lloyds Bank Foundation	-	-	-	-	5,000	5,000
Bernard Lewis Family Trust	-	50,000	50,000	-	37,500	37,500
Garfield Weston	-	50,000	50,000	-	50,000	50,000
Hadley Trust	-	23,120	23,120	-	-	-
J Leon Charitable Fund	-	10,000	10,000	-	-	-
The Band Trust	-	-	-	-	30,000	30,000
Sub-total for improving treatment & conditions for prisoners & their families	-	566,120	566,120	-	373,300	373,300
Promoting equality & human rights in the justice system						
The Open Society Foundation	-	-	-	-	360,721	360,721
Other	-	-	-	-	-	-
Sub-total for promoting equality & human rights in the justice system	-	-	-	-	360,721	360,721
Informing the public, Parliament & policy development						
The Bromley Trust	-	40,000	40,000	-	40,000	40,000
Barrow Cadbury Trust	-	38,500	38,500	-	34,000	34,000
Sub-total for informing the public, Parliament & policy development	-	78,500	78,500	-	74,000	74,000
Total restricted income from charitable activities	-	1,029,487	1,029,487	-	1,335,488	1,335,488

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2024

4a Analysis of expenditure (current year)

	Charitable activities								
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 6)	51,850	190,910	402,104	35,887	80,208	–	498,229	1,259,188	1,242,489
Travel, training & subsistence	1,287	17,502	29,703	6,744	10	559	11,473	67,279	169,497
Research & consultancy fees	–	67,079	25,274	61,919	1,770	–	47,792	203,834	142,362
Events, legal & professional fees	–	75	3,725	–	238	–	17,303	21,341	35,712
Office & premises	–	–	–	–	–	–	23,842	23,842	13,979
Finance, audit & insurance	–	–	–	–	–	870	23,999	24,869	21,845
Printing & publications	–	8,179	1,998	–	1,789	–	6,192	18,158	53,969
Beneficiary engagement	–	1,025	7,159	–	–	–	125	8,309	9,649
Administration & support	–	100,723	5,000	11,000	3,000	–	(119,723)	–	–
Depreciation	–	–	–	–	–	–	12,709	12,709	7,847
Other costs	6,828	5,020	23,787	27,779	7,259	103	186,325	257,101	285,893
	59,965	390,512	498,751	143,329	94,274	1,532	708,268	1,896,631	1,983,242
Support costs	–	347,051	219,563	49,579	92,075	–	(708,268)	–	–
Governance costs	–	750	475	107	199	(1,532)	–	–	–
Total expenditure 2024	59,965	738,314	718,788	193,015	186,548	–	–	1,896,631	
Total expenditure 2023	27,014	804,111	570,162	406,839	175,116	–	–		1,983,242

Included within expenditure are suspected fraudulent transactions. This was identified post year end, management and the trustees have taken external advice and are reviewing internal controls. Management and trustees are satisfied that this series of potentially fraudulent transactions have ceased. An independent investigation has been instigated and is ongoing. Management and trustees have made the necessary report under the Charity Commission's serious incident reporting regime. The charity's expenditure is considered materially complete.

4b Analysis of expenditure (previous year)

	Charitable activities						Support costs £	2023 Total £
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £		
Staff costs (Note 6)	22,646	284,762	301,532	77,949	59,709	–	495,891	1,242,489
Travel, training & subsistence	175	32,405	23,816	86,597	–	6,477	20,027	169,497
Research & consultancy fees	–	47,120	7,059	76,695	1,258	–	10,230	142,362
Events, legal & professional fees	–	100	–	34,844	–	–	768	35,712
Office & premises	–	–	–	–	–	–	13,979	13,979
Finance, audit & insurance	–	–	–	–	–	737	21,108	21,845
Printing & publications	–	12,369	10,413	6,396	5,574	–	19,217	53,969
Beneficiary engagement	–	2,276	7,163	–	–	–	210	9,649
Administration & support	–	99,041	5,000	11,494	2,970	–	(118,505)	–
Depreciation	–	–	–	–	–	–	7,847	7,847
Other costs	4,193	6,347	12,925	67,194	20,789	107	174,338	285,893
	27,014	484,420	367,908	361,169	90,300	7,321	645,110	1,983,242
Support costs	–	316,104	199,984	45,158	83,864	–	(645,110)	–
Governance costs	–	3,587	2,270	512	952	(7,321)	–	–
Total expenditure 2023	27,014	804,111	570,162	406,839	175,116	–	–	1,983,242

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	12,709	7,847
Auditor's remuneration (including VAT):		
Audit	13,500	11,280
Trustee's indemnity insurance	870	737
	<u>12,709</u>	<u>11,280</u>

There were no fees for non-audit services.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	1,009,948	1,049,288
Redundancy and termination costs	63,242	–
Social security costs	113,527	119,307
Employer's contribution to defined contribution pension schemes	63,648	59,428
Employer's contribution to personal pension schemes	8,824	14,466
	<u>1,259,188</u>	<u>1,242,489</u>

The following number of employees received employee benefits (excluding employer pension costs and national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	2	–
£70,000 – £79,999	1	–
£80,000–£90,000	1	1
	<u>2</u>	<u>1</u>

The total employee benefits (including pension contributions and national insurance) of the key management personnel were £105,248 (2023: £102,847).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £558 (2023: £6,477) incurred by 4 (2023: 16) members relating to attendance at meetings and planning awaydays of the trustees. Training expenses were £nil (2023: £nil). Hospitality and refreshments totalled £102, and insurance £870.

7 Staff numbers

The average number of employees (head count based on number staff employed) during the year was 24 (2023: 26).

Staff deployment

	2024 Approx. head count	2023 Approx. head count
Reducing unnecessary imprisonment	4.5	4.5
Improving treatment & conditions for prisoners & their families	9	10
Promoting equality & human rights in the justice system	1.5	1.5
Informing the public, parliament in the justice system	4	4.5
Support	4	4.5
	23	26

8 Related party transactions

No grants were received from any organisation for whom a PRT trustee, is also a trustee (2023:1).
Aggregate donations from related parties were £81,701, from the Chair, James Timpson. (consisting of donations and reimbursement for staff and volunteer Christmas meal) (2023: £67,607).

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Leasehold property £	Computer equipment £	Total £
Cost or valuation			
At the start of the year	177,500	–	177,500
Additions in year	–	9,159	9,159
At the end of the year	177,500	9,159	186,659
Depreciation			
At the start of the year	102,950	–	102,950
Charge for the year	3,550	9,159	12,709
At the end of the year	106,500	9,159	115,659
Net book value	71,000		71,000
At the end of the year	71,000	–	71,000
At the start of the year	74,550	–	74,550

All of the above assets are used for charitable purposes.

11 Debtors

	2024 £	2023 £
Other debtors	121	2,887
Prepayments	21,215	21,720
Accrued income	3,400	32,010
	<u>24,736</u>	<u>56,617</u>

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	15,108	3,455
Taxation, social security, pensions	1,571	799
Charge card	5,112	7,752
Accruals & deferred income (note 13)	9,420	37,920
	<u>31,211</u>	<u>49,926</u>

13 Deferred income

Deferred income (£30,000), is comprised of the annual payment of a grant from Goldsmiths, paid in March 2023 to be used over the course of the financial year commencing April 2023.

	2024 £	2023 £
Balance at the beginning of the year	30,000	30,000
Amount released to income in the year	(30,000)	(30,000)
Amount deferred in the year	–	30,000
Balance at the end of the year	<u>–</u>	<u>30,000</u>

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	71,000	–	71,000
Net current assets	597,954	–	967,307	1,565,261
Net assets at the end of the year	<u>597,954</u>	<u>71,000</u>	<u>967,307</u>	<u>1,636,261</u>

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	74,550	–	74,550
Net current assets	493,778	–	1,034,780	1,528,558
Net assets at the end of the year	493,778	74,550	1,034,780	1,603,108

15a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	535,941	344,867	390,512	(65,000)	425,296
Criminalising Trauma – Womens Prog	–	40,000	–	–	40,000
Improving treatment & conditions for prisoners & their families					
Advice & information service	30,149	250,000	231,147	–	49,002
Prisoner engagement	20,822	187,906	267,603	103,322	44,447
Active citizens–improving regimes	28,322	–	0	(28,322)	–
Next Generation Leadership HMPPS	–	33,120	–	–	33,120
Parole Success	–	100,000	–	–	100,000
Child Impact Assessments	–	15,000	–	–	15,000
Promoting equality & human rights in the justice system					
Disability in prison–global	401,358	–	143,329	–	258,029
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	6,781	19,250	21,029	–	5,002
Bromley Briefings Prison Factfile	–	40,000	47,425	–	(7,425)
Communications & policy	11,407	19,250	25,821	–	4,836
Total restricted funds	1,034,780	1,049,393	1,126,866	10,000	967,307
Unrestricted funds:					
Designated funds:					
Fixed asset fund	74,550	–	3,550	–	71,000
Total designated funds	74,550	–	3,550	–	71,000
Unrestricted income fund	493,778	880,391	766,215	(10,000)	597,954
Total unrestricted funds	568,328	880,391	769,765	(10,000)	668,954
Total funds	1,603,108	1,929,784	1,896,631	–	1,636,261

The narrative to explain the purpose of each fund is given at the foot of the note below.

15b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	492,894	527,467	484,420	–	535,941
Improving treatment & conditions for prisoners & their families					
Advice & information service	–	237,500	207,351	–	30,149
Prisoner engagement	73,901	105,800	158,879	–	20,822
Active citizens–improving regimes	–	30,000	1,678	–	28,322
Promoting equality & human rights in the justice system					
Disability in prison–global	401,806	360,721	361,169	–	401,358
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	9,010	17,000	19,229	–	6,781
Bromley Briefings Prison Factfile	–	40,000	55,716	15,716	–
Communications & policy	9,762	17,000	15,355	–	11,407
Total restricted funds	987,373	1,335,488	1,303,797	15,716	1,034,780
Unrestricted funds:					
Designated funds:					
Fixed asset fund	78,100	–	3,550	–	74,550
Northmoor Trust	97,179	–	97,179	–	–
Total designated funds	175,279	–	100,729	–	74,550
Unrestricted income fund	367,669	720,541	578,716	(15,716)	493,778
Total unrestricted funds	542,948	720,541	679,445	(15,716)	527,583
Total funds	1,530,321	2,056,029	1,983,242	–	1,603,108

15 Purposes of restricted funds

In the financial year ended 31 March 2024, the Prison Reform Trust operated the following programmes through restricted funding:

Reducing unnecessary imprisonment

Building Futures: Funded by the National Lottery, this is a five-year programme focusing on long-term imprisonment in Criminalising Trauma – Womens Prog: Funded by the The Jabbs Foundation, Esmee Fairbairn.

Improving treatment & conditions for prisoners and their families

Advice & Information Service: Funded by the Hadley Trust, Garfield Weston and the Bernard Lewis Family Trust, the Prison Reform Trust's advice and information service responds to thousands of queries a year from prisoners, their friends and families, and from people working with prisoners.

Prisoner engagement: Funded by Porticus UK, Blagrove Trust, the Goldsmiths' Company, AB Charitable Trust, Llinkelly Chase and Lloyds Bank Foundation, the prisoner engagement programme involves and seeks views from those affected by the criminal justice system.

Active Citizens: The Band Trust supports this work. On active citizenship, the Prison Reform Trust engages with prisons to facilitate workshops to identify new ways in which prisoners can take more responsibility for the health of their community.

Next Generation Leadership: Funded by the Hadley Trust, J Leon.

Parole Success-Data First: The Dawes Trust supports this work.

Child Impact Assessments: The Dulverton Trust supports this work.

Promoting equality & human rights in the justice system

Disability in prisons, global: This work is funded by the Open Society Foundation. This foundation gave funding in a previous financial year to expend over future financial years.

Informing the public, Parliament & policy development

All Party Parliamentary Penal Group: The Prison Reform Trust is funded by the Barrow Cadbury Trust to organise and provide the secretariat to meetings.

Bromley Briefings Prison Factfile: The Bromley Trust funds towards the bi-annual compilation, publication and dissemination of Prison: the Facts.

Communications & policy: The Barrow Cadbury Trust supports the communication and policy function.

Transfers

The reason for transfers at the Prison Reform Trust is to apply cash from unrestricted funds to finance a deficit on restricted funds. The total amount transferred from unrestricted funds to finance deficits in restricted programmes totals £10,000 for the financial year (2023: £15,716).

Purposes of designated funds

Designated funds consist of: a single fixed asset fund, representing the lease at 15 Northburgh Street. There remains 21 years at the current rate of amortisation. Also, a designated fund established in the 2018/19 financial year from monies donated by the Northmoor Trust. These funds were expended according to agreement reached by trustees, and remaining funds were fully expended during this financial year.

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 2906362

Charity number: 1035525

Prison Reform Trust

Report and financial statements

For the year ended 31 March 2023

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Reference and administrative information

For the year ended 31 March 2023

Company number 2906362

Charity number 1035525

Registered office
and operational
address 15 Northburgh Street
LONDON
EC1V 0JR

Country of
Registration England & Wales

Country of
incorporation United Kingdom

Honorary Positions The Right Honourable the Lord Hurd of Westwell CH, CBE: President
The Right Honourable the Lord Woolf of Barnes CH: Honorary President

Trustees **Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:**

Muhammed Maqsood Ahmed, OBE: (Member of Staffing & General Purposes Sub-Committee)

The Right Honourable the Lord Keith Bradley PC: (Vice Chair)

Shadae Cazeau

Mifta Choudhury: (Member of Staffing & General Purposes Sub-Committee)

Professor Dr Benjamin Crewe

Geoff Dobson OBE: (Member of Finance & Fundraising Sub-Committee)

The Right Honourable the Lord Edward Garnier QC

The Right Honourable David Gauke

Julia Killick CBE: (Chair of Staffing & General Purposes Sub-Committee)

Dr Catherine Knowles (Treasurer, Chair of Finance & Fundraising Sub-Committee) Appointed: 1st October 2022

Nigel Newcomen CBE: (Member of Staffing & General Purposes Sub-

Reference and administrative information

For the year ended 31 March 2023

Committee)

Rebecca Page: (Member of Finance & Fundraising Sub-Committee)

Elizabeth Rantzen: (Treasurer/Chair of Finance & Fundraising Sub-Committee) Resigned: 1st October 2022

Dale Simon CBE

Osmond Junior Smart OBE

James Timpson, OBE: (Chair)

Key management Peter Dawson Director

Bankers Lloyds Bank plc
30-34 Moorgate
LONDON
EC2R 6DN

Solicitors Bates Wells & Braithwaite
Cheapside House
138 Cheapside
LONDON
EC2V 6BB

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of the charity are; for the public benefit to further and promote improvements in the penal system in the United Kingdom and the prevention of crime. This report provides an explanation of how the Prison Reform Trust's significant activities fulfil the aims of the charity for the public benefit.

The strategies employed to achieve the charity's objectives, and so create a just, humane and effective penal system, are to inquire into the workings of the system; inform prisoners, staff and the wider public; and influence Parliament, Government and officials towards reform. To do this the Prison Reform Trust combines public education and work through the media with applied research, advocating for change, advice and information and parliamentary work, including provision of the secretariat to the All-Party Parliamentary Penal Affairs Group. Its four major programmes of work during this period were: reducing unnecessary imprisonment; improving treatment and conditions for prisoners and their families; which includes the rehabilitative impact of prison, contribution to the prevention of crime; promoting equality and human rights in the justice system; and informing the public, Parliament and policy development.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our purpose

To create a just, humane and effective penal system.

Our vision

We will influence decision makers, opinion formers and the public to:

Reduce the use of prison. That is about who goes to prison and for how long, and means:

- only the most serious crime should result in a sentence of imprisonment
- prison sentences should not be so long that they destroy hope and should always make full and constructive use of time inside

Improve conditions for prisoners, which requires:

- a framework of rights for prisoners as citizens
- a safe, decent, fair and purposeful way of life in prison
- the opportunity for prisoners to make amends to those they have harmed; and to take responsibility for creating a better future for themselves
- a prison estate that is not overcrowded; and allows a prisoner to remain a member of the community to which they will return

Promote equality and human rights in the criminal justice system, by:

- tackling discrimination
- protecting and improving the statutory framework for those rights

How we work

All the work we do is underpinned by the following core principles:

- Listening to and providing a voice for prisoners and their families; and promoting their role in making change happen
- Organisational credibility, built on sound governance and finance, and exceptional colleagues with experience from multiple perspectives, knowledge and integrity
- Knowing the limits of our strengths and expertise; and working closely with partners to have a bigger impact overall
- Not accepting money directly from central government, to preserve our freedom to say whatever needs to be said

- Influencing policy makers by gathering, analysing and publishing the facts; promoting good practice and celebrating success; understanding the realities but seeing the possibilities
- Principled opportunism: seizing the chance to make progress when it's there
- Retaining a memory for what has happened in the past; and drawing out the learning from it

Our work in furtherance of our vision is organised under four broad challenges for the period of our 5-year strategic plan (2018–23):

- Reducing unnecessary imprisonment: Change who goes to prison and for how long
- Improving treatment and conditions for prisoners and their families: Improve life in prison
- Promoting equality and human rights in the justice system
- Informing the public, Parliament and policy development; Get the facts about prisons and prisoners better known

Overview of the year

We anticipated in last year's report that the operating and policy environments would both be very challenging. They have been. After a pause probably caused by the delays in getting courts back up to speed after the pandemic, the prison population has started to rise very fast in the last two months of 2022 and the early part of 2023. The government has resorted to use of police cells and reversed a much-trumpeted increase in magistrates' sentencing powers as a result but remains myopic about the longer-term impact on the population of measures that increase the time spent in custody on longer sentences. At the same time, staffing problems in prisons have intensified, with the number of staff leaving almost exactly matching the number recruited, leaving many prisons in many parts of the country unable to offer a regime that is significantly better than what prisoners experienced during the pandemic. Inspection reports have revealed what the government continues to conceal through the absence of public performance measures.

For PRT, the year has been characterised by a wholesale return to the face-to-face engagement with prisoners denied us during the pandemic. For many colleagues, the year has involved weekly or twice weekly visits to working groups in prisons, and the appetite amongst prisoners for that engagement is obvious. We have been able to facilitate prisoner participation in policy issues both within the Ministry of Justice and further afield and published the first ever PRT report to have been drafted by prisoners. Combined with a sharp increase in the volume and complexity of advice and information casework, this communication with people in prison has enabled us to speak with confidence about the real conditions of prisons at present and the failure of much of the system to recover from the pandemic in any meaningful sense.

In that context, the fact that the policy environment has been dominated by a wholly unjustified political attack on the Parole Board and the parole system more generally is hard to fathom. It is difficult to reach any conclusion other than it represents a political decision in anticipation of both local and national elections, hoping to characterise any opposition as insufficiently “tough on crime”. The outright rejection of a carefully evidenced cross party recommendation for reform of the IPP sentence seems likely to have been motivated by the same preoccupation.

This all places a premium on PRT's maintenance of good relationships with both the operational line and with policy officials. The bulk of the progress we are able to make takes place out of the public eye. But in these difficult times, it is also important that PRT is seen to be advocating for the rights and compassionate treatment of people that it still seems to be acceptable to stigmatise in the political arena.

PRT's reputation and standing are strong, and this was most obviously evidenced in the exceptional quality of candidates to become the organisation's new CEO from the start of 2023/24. The timely selection of an outstanding successor has allowed a thorough and planned handover. The timing of that succession prompted the trustees to postpone the drafting of a new strategic plan, extending the current plan by a year to March 2024. This will allow the incoming CEO, Pia Sinha, to shape a new plan for 2024 onwards. The current objectives remain relevant to the current situation in prisons and the criminal justice system, but a fresh pair of eyes will certainly benefit PRT in plotting a course for the medium term.

Performance in 2022/23

In the following sections we track performance against all of the strategic plan objectives, picking up the specific ambitions described in last year's annual report but also detailing a wide range of other work both in pursuit of the strategic plan objectives and in response to the issues created by conditions in prison and the criminal justice system more generally.

Reducing unnecessary imprisonment; change who goes to prison and for how long

End the imprisonment of people serving Sentences of Imprisonment for Public Protection (IPP), and abolish the lifelong IPP licence:

PRT provided written and oral evidence to the justice committee inquiry on IPPs. The report of the inquiry reflected many of PRT's own policy recommendations including on resentencing, shortening the licence review period to 5 years and better support for people serving IPPs on release.

The government response was disappointing and rejected the central recommendation for the establishment of an expert group on resentencing. It did commit to a refresh of the IPP action plan, commissioning a thematic review on recalls from the probation inspectorate, and looking to greater use of existing provision to cancel supervision requirements after 5 years. We continue to work closely both with others in the sector and with officials to secure incremental improvements,

while also advocating for legislative change. We expect to be formally invited to sit on an independent oversight committee for the refreshed action plan.

Find out what the public, including victims, think about punishment, and challenge sentence inflation

The report of the Bishop's Commission (ICEVLP) was published in July 2022 with an exclusive on the BBC Radio 4 Today programme. Its key recommendation was for a national debate on sentencing backed by a Law Commission review of the sentencing framework for serious offences, a citizens' assembly on sentencing, and strengthening the remit of the Sentencing Council on public understanding of sentencing.

The Bishop presented at a House of Lords reception on long sentences in November 2022 hosted by the Bishop to Prisons.

The Commission gave written and oral evidence to the justice committee inquiry on public understanding and opinion on sentencing, and PRT's head of policy and communications took part in a public focus group on sentencing on 4 March as part of the work of the inquiry.

We submitted the Commission's report and recommendations to an end to end review of the criminal justice system set up by the Labour party as part of its preparation for a manifesto for a general election campaign in either 2023 or 2024.

Divert people from prison who don't need, or are not well enough, to be there; and reduce recall and remand populations

We welcomed the government's commitment to legislate to abolish prison as a "place of safety" – a PRT objective over many years.

We also gave written and oral evidence to a Justice Select Committee inquiry into the use of remand. We are currently urging ministers and the Chief Inspector of Probation to focus on the support available in the community for released IPP prisoners.

Ensure a fair and effective parole system:

PRT has led scrutiny of recent changes to the parole system, including the change in the criteria for transfer to open prison conditions and the introduction of a single view procedure. It has done this through:

- Supporting and briefing for a motion of regret against the single view in the House of Lords tabled by Baroness Prashar
- Briefing for a follow up meeting with Lord Bellamy on the parole changes attended by Baroness Prashar and Lord Garnier
- A series of correspondence with the minister and Parole Board to extract further guidance and information about the changes
- A series of FOIs and PQs
- Publishing all the information obtained on the PRT website to assist scrutiny and support litigation, and briefing lawyers who represent prisoners at parole hearings.

We continue to work closely with Inside Time to ensure that key developments are widely advertised to prisoners.

The Prisoner Policy Network (PPN) team has been proactive in prison, ensuring that prisoners themselves, and former prisoners and their families in our community network have been kept fully informed as to their rights within the parole process and to be fully aware of any changes. We have done this by direct emails and our PPN Network News, as well as by face-to-face work in prison, especially as we facilitate the Building Futures Working Groups in various sites in prison (where we are working with people who are directly impacted by the parole system). We have led Building Futures Working Groups in HMP Rye Hill to meet directly with the CEO of the Parole Board and in HMP Frankland to meet with the Category A Review Team to understand better preparation for Cat A review and individual statements for readiness for parole hearings.

Reduce the imprisonment of women and ensuring their needs are met:

PRT has been an active member of the MOJ's women in the criminal justice system expert group. We also continue to sit on groups implementing whole system approaches in Wales, the Midlands and London. We were instrumental in the National Audit Office establishing a report on the government's female offender strategy and gave written evidence to the Public Account Committee's subsequent inquiry. We have also given written and oral evidence to the justice committee inquiry on women in prison.

The outcomes of these inquiries persuaded the government to produce a delivery plan committing them to significant action to deliver the female offenders strategy. For the first time, that plan contains metrics to measure its outcomes.

PRT has published reports on:

- Why focus on reducing women's imprisonment?
- Child Impact Assessment Toolkit
- Local area data to be published in May

Our head of prisoner participation spoke at a Fabian Women's Network Fringe event at Labour Party Conference on women imprisonment and took part in a series of roundtables with the Labour Front Bench about women's imprisonment, speaking at Parliament with Jess Phillips MP and Emily Thornberry MP to launch a book published by the Fabian Women's network (to which she contributed case studies) on women's imprisonment.

Reduce the number of children who end up in prison

We have also presented to the strategy team of the Save the Children global fund about the need to focus resources on support for the children of incarcerated parents. We have sat on the advisory panel for a Centre for Social Justice [report](#) on family experiences whilst the family member is incarcerated and supported PPN members to be interviewed as part of the report. PRT has continued to advocate on all the platforms available to it that children should only be imprisoned as a last resort, the formula to be found in the United Nations Convention on the

Rights of Children (and therefore adopted by the UK Government). The most recent data for 2022/23 (to December 2022) shows numbers of children unchanged over the preceding twelve months. These are still at a historical all-time low for modern times.

With the Alliance for Youth Justice we have urged Ministers and senior officials to consult on and produce a clear long-term strategy for children in custody. This becomes increasingly vital to secure, as the prison estate for children becomes increasingly fractured and the Chief Inspector reports deteriorations in conditions in many, although not all, of the custodial establishments.

Improving treatment and conditions for prisoners and their families; Improve life in prison

Help to make prisons safe, decent, fair, and purposeful:

We have regularly issued press releases in response to a stream of inspection reports cataloguing the failure to restore regimes following the pandemic. We have also used the website to highlight the absence of measures of excessive confinement, and the continued delay in producing a performance framework for prisons which measures the constructive use of time. However, we have at the same time been working very closely with officials charged with designing a framework for future regimes. In particular we have facilitated the participation of prisoners in that work.

Following a consultation of 650 prisoners across 50 prisons in England and Wales, the PPN report, "It doesn't have to be like this", was published in 2022. It is the fourth in a series by the PPN, which seeks to promote prisoners' solutions to addressing the challenges facing our prison system and to support the work of the HMPPS Future Regime Design Team. Prisoners were clear that a lack of support from the prison system to help them build paths to a better future was failing victims, communities, and themselves.

PPN community members have been active in over 20 different focus groups and discussion workshops, such as with the Ministry of Justice Prison Leavers project on therapeutic interventions. They have also contributed to HMPPS workshops on resettlement passports, on relationship programmes, on debt in prisons and family contact, as well as user design of phone apps for those with learning disabilities and acquired brain injury. Members have taken part in discussions on prisoner experiences of interventions for heroin use whilst in prison as well as work with the Nuffield Trust on women's health care which was covered in The Independent. Work continues with the Nuffield Trust on access to healthcare for older prisoners (report forthcoming) and now with young adults.

PPN team members and PPN community members continue to be sought out for membership of Advisory Boards for university research and throughout the last year they have been engaged in projects with:

- University of York on healthcare in prison under Covid
- University of Manchester on women's experience of self-harm in prison

- University of Manchester on continuity of care for women who self-harm post release
- University of Manchester on women's social care needs in prison
- University of Southampton on women's experiences of diversion from custody in residential settings
- Innovation Unit on improving outcomes for care experienced prisoners in the Midlands
- University of Nottingham on the safety in prison and accountability mechanisms for deaths in custody

The PPN team has continued to work very closely with Unlocked Graduates, with team members being involved in the recruitment and assessment process, induction training, as well as hosting a panel discussion at the Unlocked Graduates Summer conference with four PPN members (and will do this again in 2023). One PPN member was supported to secure a paid role with Unlocked Graduates to work as a trainer at the Summer School (where PRT led a session on participation and prisoner involvement). PRT also led a session for officer keyworkers at HMP Highpoint to discuss the challenges of key-working with IPP prisoners.

The PPN team are also working with UK Health Security Agency (UKHSA) in a trans-national project supporting PPN members to shape understanding and resources about vaccination hesitation and how to inform prisoners better as to risks and benefits as well as supporting PPN members to attend the business development strategy day of the UKHSA.

PRT has lobbied the Youth Custody Service to improve the profile and quality of practice in safeguarding children in prison. This lobby contributed to the decision to hold a national learning event in June 2022 on these issues. We also pressed the Government to publish their independent safeguarding review on events at Rainsbrook Secure Training Centre, and this led to an eventual about-turn with the publication of the report last autumn.

Challenge restrictions which are not a "necessary consequence of imprisonment"

We are a member of the HMPPS Segregation Advisory Board, advocating improved reintegration methods. We have also continued to advocate for the withdrawal of PAVA spray, and better accountability for the use of force generally. At our prompting, HMPPS has now set up an external advisory committee on use of force, on which PRT sits, alongside statutory bodies including HMCIP and the PPO.

Improve the way of life for the longest serving prisoners, for older prisoners, and for those in solitary confinement.

October 2022 saw the publication of the Building Futures consultation "*Making progress?*". This represented a collaboration with people from around 30 prisons, highlighting how prisoners were confused and disillusioned by the apparently simple proposition that they are required to reduce 'risk'. This in turn is leading to long serving prisoners feeling unsure about what they can do to prepare—and ultimately demonstrate their readiness—for release. A key recommendation from the

report is that HM Prison and Probation Service should develop a long-term prisoner policy framework.

“Making Progress” has already had a positive impact with stakeholders across the sector. We have evidence that the report findings have been used to instigate and inform discussions on better approaches for working with long serving prisoners at the most senior HMMPS level. It provides the structure for policy advocacy for the remainder of the BF programme.

In February 2022 PRT published the second briefing from Building Futures' Invisible Women workstream. Working in collaboration with long term women, the briefing focuses on the health needs of women serving long sentences and provides clear recommendations, including that HMPPS adhere to expectations set out by Public Health England in their [‘Gender specific standards for health and wellbeing for women in prison in England’](#).

Building Futures, in collaboration with the A&I team, have developed a “*Lifer Guide*”. This guide has collated information from relevant policy frameworks and draws on the lived experiences of serving life sentenced prisoners, as well insights from those working with this group. The guide is designed to help better inform those serving life terms and their families about key stages and strategies in navigating this sentence.

The prisoner engagement team are well embedded into PRT's Building Futures programme and have been active in the recruitment and retention of the Building Futures Network of long-term prisoners (now around 500 members), as well as leading on communication and responses to these members. The prisoner engagement team have worked on developing and facilitating a series of peer groups in prison to support the programme in HMP Rye Hill, HMP Aylesbury, HMP Low Newton, HMP Warren Hill, HMP Frankland, HMP Swaleside, and HMP Magilligan in Northern Ireland. These groups are starting to engage in the programme in a very positive way and generate their own peer led consultation reports. They are increasingly being visited by external policy making teams for direct conversations about strategic policy decisions. The group at HMP Frankland has recently been visited by the Category A review team within HM Prison and Probation Service (HMPPS) to discuss the recategorization process. The group in HMP Rye Hill hosted the CEO of the Parole Board. Work to increase presence in Scottish prisons is underway and a further group in HMP Manchester will commence imminently.

PPN members use e-mail a prisoner, phone and letter to contact the PPN team about individual policy issues in prison which the team seeks to resolve at local level both by direct contact with the prison and also by sign posting and referral to other support agencies.

Improve access to in cell technology and the internet:

Our report on ICT in prisons in the UK and abroad was delayed due to ill health but will be published shortly.

The PPN team have worked with NHS England to report on prisoners' experiences of telemedicine, and have worked with Dr Anna Kotova of the University of Birmingham to report on prisoners

experiences of video call in prison: [Using video-calls to 'do family' across prison walls \(birmingham.ac.uk\)](https://www.birmingham.ac.uk)

Provide better access to information and advice, especially through schemes run by prisoners:

The Advice and Information Service has experienced its busiest year to date, with 9,679 enquiries received in 2022. This is an increase on 8,172 over 2021 and significantly more than the 6500 a year we were consistently averaging prior to this. This trend looks set to continue through 2023. We believe the main driver for this has been the major policy changes within the last year. The work we have been doing to gather, explain and disseminate clear information through channels such as Inside Time. PRT's current profile in prison through PPN and Building Futures is also helping to drive demand, as is increased access to in-cell telephony. Parole changes continue to be a major concern for people, as do policy changes around areas of common concern such as property, searching and prisoner communications.

Although the increase in demand is an endorsement of the value of our service it has posed several challenges, including causing delays to our response time and risks to the quality of our output as we try to keep up. We continue to get a higher volume of complex enquiries than we did in previous years, including many with urgent wellbeing concerns or serious mental health issues. Safeguarding referrals remain high and we are starting to find the barriers to making referrals increase again after some previous improvement. We are very pleased to have secured funding to expand the team to help keep the service delivering the quality and timeliness.

We have successfully intervened on both local and national levels when themes have emerged through the service. For example, we escalated concerns about potentially unlawful disposal of prisoner property following changes to allowances published in the recent Policy Framework – this led to an amendment of the national policy to clarify this. We continue to pursue several policy issues based on evidence raised through the service, including around prisoner accounts, access to vegan diets and access to open conditions for people serving extended sentences.

We have been working to keep our information resources up to date with the speed of policy change, as well as exploring other ways to disseminate them such as through in-cell technology and via keyworkers.

Informing the public, Parliament and policy development: Get the facts about prison and prisoners better known

Make prisoners' views central to all that we do, give them the chance to speak for themselves, and keep them informed:

PRT has been making significant progress in building the membership and impact of our ground-breaking Prisoner Policy Network (PPN). The PPN integrates prisoner and family voice into PRT's internal work, and into research, policy and practice development/improvement for statutory, voluntary and academic research institutions. The PPN now has over 900 prisoners, 400 former prisoners, their families and 29 supporting organisations. The PPN ensures the collective voice of prisoners is heard powerfully at policy and strategic level and enables PRT to further embed its

approach to prisoner and family engagement organisationally. The PPN seeks to create a collective approach to user involvement in the criminal justice sector and increase visibility and impact of integration of lived experience leadership.

We have been successful in positioning the PPN as a credible representational framework as evidenced by the multiple activities now undertaken by both the PPN team and the PPN membership. Our Network News, published quarterly, and our community mailouts are a key mechanism by which we disseminate information to our members, as well as using Inside Time to inform.

Specific working groups formed for the Building Futures programme continually contribute to a wide range of PRT consultations. BF's current consultation is in partnership with PhD student Sophie Ellis from the Prison Research Centre at Cambridge. She has been working with the groups to look at the experiences of offending behaviour programmes for prisoners serving indeterminate sentences, and how their sentence plays a role in those experiences. She has completed the information gathering process, with up to 90 people in prison having contributed. A report of this work will be published in the coming autumn/winter.

February 2023 saw the launch and publication of Building Futures' second report centred on progression: *"Progression within a prison"*. Every stage of this report, including planning, facilitating discussion groups, writing up, and putting forward recommendations has been completed by the Rye Hill working group. This work culminated in a launch event held in the prison in January 2023, which brought together the working group and stakeholders to discuss dissemination and next steps. This report marks the first report fully undertaken by people in prison to be published on PRT's website.

Tell the success stories and challenge prejudice:

The PPN team have worked with HMPPS to identify success stories of prisoners on a podcast series ("A Prison's guide to ...taking the leap").

We have regularly worked with journalists making enquiries on children and offending. Our Senior Associate, John Drew, has written a series of columns for the children's services publication 'Children & Young People Now' describing a range of issue relevant to child imprisonment, including an open letter to the incoming Director of the Youth Custody Service in September 2022.

Publish the Bromley Briefings Prison Factfile:

Prison the Facts was published in May 2022, and The Bromley Briefing Prison Factfile was published in January 2023 with an exclusive in the Times newspaper.

Produce original research with practical relevance, including work on employment for people convicted of sex offences:

As part of the Building Futures programme, we are currently working with commissioned researchers on two projects, one focusing on Being Young, Growing Old and Dying in prison and the other on maintaining family and outside contact over long periods of imprisonment.

We have also started work under the same programme on a major research study looking at institutionalisation for long sentence prisoners.

Educate and influence the public, policy makers and politicians:

We have achieved a combined reach of 11.9 million in print media, and 1.3 billion in online media; with multiple mentions in key national publications including The Guardian; The Telegraph; The Independent; Daily Express; Daily Mirror; The Times; Metro; Financial Times; and The Sun. We continue to expand our social media presence, with nearly 38,000 followers on Twitter; over 16,000 followers on LinkedIn; and 4,800 followers on Facebook.

Following the successful relaunch of our website our web traffic has increased by 18% on the same period last year, with over 55,000 unique visitors since January 2023.

A significant proportion of the PPN speaking engagements over the last year have been dedicated to sector specific and more general public education activities. For example, introducing members of the judiciary (Magistrates Association conference in August 2022), the broader faith and voluntary sector, students on university criminology and social science courses (University of Cambridge, University of Birmingham, University of Exeter, University of Southampton) and the general public to content within the Bromley Briefings and PPN reports. This is with the aim of developing a more sophisticated understanding of the notion of justice and the role of prison. Work addressing issues such as these form part of the podcast series The Secret Life of Prison, which has now had 249,000 downloads. PRT has also participated in other podcasts, including appearing on Ed Miliband's podcast discussing women's imprisonment; with Richard Branson on the One Small Thing podcast on the need for proportionate criminal records checks; and with Ofsted.

PRT Associate Sarah Beresford has completed phase one of the Child Impact Assessment project. The "This is me" toolkit was published on 9 December 2022 and included a feature on Woman's Hour with Sarah and Layla (a young woman whose mother has been in prison). There has been considerable interest in the implementation of the toolkit (phase two). Outcomes since publication include:

- A recommendation to Members of the Scottish Parliament to test and adopt the use of Child Impact Assessments throughout Scotland;
- The formation of a Short-Life Working Group within the Mayor's Office for Policing and Crime to lead on piloting the use of Child Impact Assessments across London;
- A commitment from Kent, Surrey and Sussex local authority to pilot the use of Child Impact Assessments;
- A request from HMPPS to include the toolkit in their Improvement Catalogue (a resource for practitioners who are supporting people in the justice system);

- A request to meet with HMPPS safeguarding leads about the role probation officers can play in supporting the use of Child Impact Assessments (6 March);
- A request from the Law Society for Scotland to include the toolkit on their website;
- Interest from the Children and Family Court Advisory and Support Service in promoting the use of Child Impact Assessments;
- An invitation to speak at the Arizona State University Centre for Child Well-Being National Children of incarcerated Parents online conference (17 April);
- An invitation to speak at the British Medical Association symposium (26 April); and
- A request from Families Outside to integrate "This is me" into their training offer for education staff.

Provide the Secretariat to the Parliamentary All Party Penal Affairs Group:

The group has held a regular programme of meetings including with the prisons minister Damian Hinds. The officers of the group have been strengthened with the addition as vice chairs of Lord Carlile, Baroness Prashar and Carolyn Harris MP.

Promoting equality and human rights in the justice system

Reduce race disproportionality:

PRT has been a member of the advisory group for the Criminal Justice Alliance's project on promoting the use of the public sector equality duty to tackle racial discrimination. We also sit on the HMPPS External Advice and Scrutiny Panel, and the advisory group on the inspectorate's thematic report: Experiences of Black Prisoners and Black Prison Officers. We are a member of the Long-Term, High Security Estate's Race Equality Oversight Panel, and we have supported the prison service's Race Action Programme in setting up 'safe spaces' for dialogue on race. We have helped deliver training to three prisons on responding to allegations of discrimination (with the Zahid Mubarek Trust).

In March 2023 we published a detailed progress report against the Lammy review recommendations on prisons, highlighting the government's failure to do so and the poor progress in achieving outcomes against those recommendations.

Our main PPN consultation this year has been on the impact of race and ethnicity on the prison experience for prisoners. A report will be published in the spring of 2023.

Promote active citizenship in prisons:

We have convened active citizens panels, on improving staff-prisoner relationships, and finding personal fulfilment. For the first time, we have run an active citizen's panel that combined the participation of staff and prisoners.

Tackle discrimination and ensure necessary reasonable adjustments, especially for prisoners with mental health and learning disabilities, and autism:

PPN members have been working with the health and justice teams in the Southwest to build a lived experience perspective into ongoing work about tackling neurodiversity in the southwest prisons.

The successor to PRT's work to tackle discrimination against people with learning disabilities and difficulties ("the Hub"), funded by the Open Society Foundation, continued to disseminate the learning from the UK's experience. The *Inaugural Access to Justice Institute* (the Institute), was held from 16 – 21 July, in Canterbury, UK. There were 46 delegates from 16 different countries. Around one-third of delegates had lived experience of disability and 10 disabled persons organisations were represented.

The overall aim of the Institute was threefold:

1. To share knowledge and tools developed by the Hub
2. To increase the Hub's circle of influence through bringing in new Fellows/Hub members
3. To further establish the Hub to continue working towards CRPD-compliant access to justice for persons with disabilities.

The first two aims were realised: knowledge and tools developed by Hub members provided the basis for our agenda and 27 new Fellows/Hub members were recruited, of which 26 attended the Institute. Many delegates declared a commitment to building upon learning and taking forward and further developing ideas. A peer exchange programme was established to support the Institute, which fostered and encouraged new relationships and collaborative activity. A feedback form asked delegates to discuss their ideas for the future, and we are greatly encouraged by the response. In the five months following the Institute, most Hub members have engaged in at least one online event and/or meeting, three new areas of work are being developed, and Hub member expertise is being sought and shared amongst the membership. While it is not possible, so soon after the Institute, to comment on how successful our third aim might be, there is reason to be optimistic that the work of the Hub will continue to grow in size and influence.

Contribute to a better approach for 18- to 24-year-olds in custody:

We continue to be an active member of T2A's campaign management group and attends regular meetings of the alliance.

In the autumn the Government announced that young adults would no longer transition to adult prisons once they had reached their 18th birthday, staying instead in the children's estate for at least a further year. This is a complex issue since by custom and practice in the past 18-year-olds who were very near the completion of their sentences had been allowed to remain in children's prisons beyond their birthday. Prisons are predicting the percentage of young adults in children's prisons may rise to one in three (or beyond) by the summer and this is something that we continue to monitor closely. Ultimately the entitlements to a different prison regime that children enjoy

could be diminished by the growing presence of young adults. It also creates a more complex set of arrangements for prison staff to manage.

The PPN has worked with Fair Trials to help develop their consultation approach and support serving young prisoners and former young prisoners to become involved in a study looking at young adults who gave a guilty plea at Court. They wanted to understand to what extent respondents felt they were making an informed decision when giving their plea, which feeds into wider work around access to justice. PPN supported their consultation by inviting PPN members to take part, via the newsletter and direct mailouts, as well as organising focus groups in the community with former prisoners. The report has had substantial newspaper and radio coverage.

Objectives we were not able to take forward

We decided to postpone a planned conference with NACRO on how prison regimes can support resettlement in the light of the operational pressures facing prisons.

For the same reason, we have postponed the annual writing competition.

We have also placed on hold a planned briefing to assess progress against the many objectives in the Prisons White Paper published in January 2022. It is already clear that the government itself appears to have moved on from much of the White Paper given changes in personnel and the crisis that a rising population and staffing shortfalls has produced.

We decided not to publish a briefing on young adult women in custody because the prison service itself had been able to give this issue substantial attention and invited us to comment on draft operational guidance which drew on most of the evidence we had gathered in preparation for publication.

Plans to use access to the Measuring the Quality of Prison Life (MQPL) database have been delayed due to staff ill-health but are now being taken forward in the context of the Building Futures programme.

Plans for a “data first” study, using access to large government databases, await the outcome of a funding application.

Priorities and new work for 2023/24

The five-year strategic plan for 2018–2023 was due to be replaced by a new five-year plan for 2023–2028, in April 2023. Due to a change in leadership, the process has been delayed, a new strategic plan will be issued for 2024–2029.

Priorities for 2023/24:

- Establish changes in leadership and management.
- Formulate a new five-year strategy.
- Continue with many of the work strands under our four objectives as outlined pages 6–17 of this report.

Explore new projects, notably:

Improving treatment and conditions for prisoners and their families–

- Inform and Inspire–a series of Prison Governor workshops.
- Prisoner reward and recognition scheme.

Reducing unnecessary imprisonment–

- Diversion (women)–approaches to preventing re-offending by finding alternatives to formal criminal justice proceedings.

Structure, governance, and management

Governing document

The company is established under a memorandum of association, which sets out its objects and powers as a charitable company and is governed under its articles of association. The Prison Reform Trust is currently working to a five-year strategic plan, published in June 2018. Work to create a new five-year strategic plan, beginning in 2024, is underway.

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page one. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2023 was 15, (31 March 2022:15).

Organisation

The Prison Reform Trust is a small organisation with clear objectives, a high national profile and a strong track record of achieving policy and practice change. It is governed by an experienced and knowledgeable Board of Trustees which meets four times a year. It operates within an equal opportunities policy the implementation of which is kept under review. Oversight of personnel matters and risk management is maintained by its Staffing and General Purposes sub-committee. Oversight of money is overseen by the Finance and Fundraising sub-committee. Management and development of the charitable company is delegated to its director, Peter Dawson, who is

accountable to the Chair. Reports are submitted as required to Companies House and the Charity Commission by the company secretary. Systems for line management, appraisal, staff development and supervision are in place together with grievance and complaints procedures. A strategic plan was agreed by the Board for the period 2018–2023. A new strategic plan will be issued for 2024–2029.

The organisation is a charitable company limited by guarantee, incorporated on 3 March 1994 and registered as a charity on 23 March 1994.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration policy

The Prison Reform Trust aims to pay salaries which are fair, competitive with the charity sector and proportionate to the complexity of each role. In determining the right level of pay PRT uses the National Joint Council for Local Government Services pay scales and job evaluations as guidance. All staff are entitled to 7% of their gross salary as a non-contributory pension payment. The Prison Reform Trust ensures all staff are paid above the living wage as defined by the Living Wage Foundation, as well as paying above the London Living Wage.

James Timpson OBE has been the Chair since April 2016. Following a process by which the Staffing and General Purposes Sub-Committee considers the board's needs in terms of its overall experience and skills, and the diversity of its membership, new trustees are invited to join the board.

Trustee induction and training

Opportunities to visit prisons alongside Prison Reform Trust staff are made available to those who wish to take them up. As far as possible, NCVO guidelines are followed regarding induction and training. Outside of the formal meetings structure there is a good level of trustee involvement in steering major programmes and project advisory work.

Financial review

In the financial year 2022/23 overall income exceeded expenditure by £72,787 (2022: income exceeded expenditure by £279,760). Total incoming resources for the year to 31 March 2023, including legacies, grants, and donations, were £2,056,029, compared to £1,906,759 in 2022.

Income included a grant from the Open Society Foundation of £360,721. Unusually, this sum is to span three years of programme expenditure and was paid upfront it is restricted to a single programme.

Unrestricted grant, donation, subscriptions, and legacy income shows an increase of approximately 45% (£211,140) from £473,779 in 2022 to £684,919 in 2023, (note 2).

'Other trading activities' in the Statement of Financial Activities refers to fee income of £31,283. In 2022, 'Other trading activities' comprised £56,101, a decrease of £24,818.

Overall unrestricted income was £720,541 an increase of £190,472 (36%) from 2022 when unrestricted overall income was £530,069.

The Northmoor Trust donated in 2019 and this was designated, to specific purposes by trustees. Originally intended to be used over three financial years, the remaining funds were spent in 2023, so used over five financial years in total.

Restricted income shows approximately 3% decrease of £41,202, from £1,376,690 (2022) to £1,335,488 (2023).

Further details of funders who generously provided support for restricted funding programmes during the year are shown in note 15.

The Prison Reform Trust received significant donations and grants towards core costs from the Esmée Fairbairn Foundation; the Hadley Trust; the 29th of May 1961 Charitable Trust; the AB Charitable Trust; the PR & SH Southall Charitable Trust; the John Armitage Charitable Trust; the Highway One Trust; the Persula Foundation and the Millward Family Trust.

The Alchemy Foundation granted a sum restricted for use towards the fundraising costs and salary. This has been included in unrestricted totals.

Legacies derived from the estates of Jean Muir and Jennifer Anderson (note 2).

Total resources expended in the year amounted to £1,983,242, compared to £1,626,999 in the previous financial year, an increase of approximately 22% and amounting to £356,243. Net assets at the year-end totalled £1,603,108 (2022: £1,530,321) of which approximately 5% were represented by fixed assets, (2022:5%). The charity's net liquid assets at the year-end covered approximately 9 months' total operating costs, (2022:10).

In the 2022/23 financial year the Prison Reform Trust deployed unrestricted reserves to support programmes in the sum of £15,716 (2022: £15,461). This is shown as 'Transfers between funds' in the Statement of Financial Activities and is further detailed in note 15a.

Principal risks and uncertainties

The Trust's risk register is considered at bi-monthly senior management team meetings and forms part of the director's report to quarterly board meetings. It is also considered periodically by both finance and general purposes sub committees.

The board's structure of quarterly meetings with a finance sub-committee and a general purposes sub-committee working to it has works well, and the process of the board tenure procedures continues.

The finance sub-committee continues to benefit from by the co-option of a specialist member, Neil Yazdani, with specific financial expertise.

Our ability to attract candidates of quality when posts fall vacant has been shown to be high, with one appointment during the year, (maternity cover). We continue to look for a diverse and talented workforce and encourage applications from those with lived experience of prison.

Reserves policy and going concern

Although the Prison Reform Trust is fortunate in the breadth of its donor base, the trustees believe that in the absence of endowments, and with few guaranteed recurrent grants, the charity should aim to maintain liquid reserves sufficient to cover at least three months' total anticipated expenditure. At least one-third (or one month) should be held as unrestricted, free liquid reserves. Notwithstanding the present difficult economic environment, the charity has developed a strategy to enable it to meet this objective.

Free reserves, which are unrestricted funds not designated or held as fixed assets, total £493,778 (2022: £367,669) for the financial year (approximately 3 months total expenditure on 2023 results). (2022: 2.5). Restricted funds total £1,034,780 (2022: £987,373), 6 months total expenditure. Together, amounting to £1,528,558 and 9 months (2022: £1,355,042, 10 months).

Designated funds consist of a lease with a value of £74,550.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees and the management team have reviewed all expected income and expenditure projections and have concluded that, together with the reserves, there is a reasonable expectation that the Prison Reform Trust has adequate resources to continue in operational existence for the foreseeable future. The Prison Reform Trust, therefore, continues to adopt the going concern basis in preparing its financial statements.

Fundraising

The Prison Reform Trust has the benefit of a part-time development manager, who is a member of the Institute of Fundraising. This role is generously funded and supported by The Alchemy Foundation. The Prison Reform Trust is registered with the Fundraising Regulator and the Information Commissioner's Office.

Most of our funding across restricted and unrestricted areas comes from grants awarded upon application, from charitable trusts and foundations.

We also receive money from individual donors, corporations, legacies, and members of our Friends scheme, (subscriptions).

We do not use direct marketing, telemarketing, street collections, sponsorships, or any other form of fundraising, other than that stated above. The Prison Reform Trust complies fully with fundraising regulations and codes and has not received any complaints with regards to its fundraising activities. The Prison Reform Trust considers if people may be vulnerable or be in vulnerable circumstances—if we have reasonable grounds for believing that a potential donor lacks the capacity to decide to support us, then a donation will not be taken. If a donation has already been made, and at the time of donating the individual lacked capacity (and we receive evidence of this) then we will return that donation.

We do not use professional fundraisers or commercial participators, or any third parties.

Volunteers and gifts in kind

The Prison Reform Trust benefits from the input of volunteers, particularly this financial year from work on the Building Futures programme.

In June 2022, the Prison Reform Trust held an event to celebrate its 40th Anniversary. This event was entirely hosted and funded by DLA Piper.

Statement of responsibilities of the trustees

The trustees (who are also directors of Prison Reform Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 situation 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 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 charitable company 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 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 auditor is unaware.
- 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 15 (2022: 15). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 12th September 2023 and signed on their behalf by

James Timpson OBE
Chair

Opinion

We have audited the financial statements of Prison Reform Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 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.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 Prison Reform Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 the audit:

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

Independent auditor's report

To the members of

Prison Reform Trust

- 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

Prison Reform Trust

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditor's report and for no other purpose.

Independent auditor's report

To the members of

Prison Reform Trust

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.

Judith Miller (Senior statutory auditor)

14 September 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Prison Reform Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Grants, donations and legacies	2	684,919	–	684,919	473,779	–	473,779
Charitable activities	3						
1 Reducing unnecessary imprisonment		–	527,467	527,467	–	518,793	518,793
2 Improving treatment & conditions for prisoners and their families		–	373,300	373,300	–	314,993	314,993
3 Promoting equality and human rights in the justice system		–	360,721	360,721	–	435,350	435,350
4 Informing the public, Parliament and policy development		–	74,000	74,000	–	105,400	105,400
Other trading activities		31,283	–	31,283	56,101	2,154	58,255
Interest		4,339	–	4,339	189	–	189
Total income		720,541	1,335,488	2,056,029	530,069	1,376,690	1,906,759
Expenditure on:							
Raising funds		27,014	–	27,014	30,000	–	30,000
Charitable activities							
1 Reducing unnecessary imprisonment		319,691	484,420	804,111	305,974	401,199	707,173
2 Improving treatment & conditions for prisoners and their families		202,254	367,908	570,162	193,576	314,574	508,150
3 Promoting equality and human rights in the justice system		45,670	361,169	406,839	43,711	149,448	193,159
4 Informing the public, Parliament and policy development		84,816	90,300	175,116	81,177	107,340	188,517
Total expenditure	4	679,445	1,303,797	1,983,242	654,438	972,561	1,626,999
Net income / (expenditure) for the year	5	41,096	31,691	72,787	(124,369)	404,129	279,760
Transfers between funds	15	(15,716)	15,716	–	(15,461)	15,461	–
Net movement in funds		25,380	47,407	72,787	(139,830)	419,590	279,760
Reconciliation of funds:							
Funds brought forward		542,948	987,373	1,530,321	682,778	567,783	1,250,561
Total funds carried forward		568,328	1,034,780	1,603,108	542,948	987,373	1,530,321

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Prison Reform Trust

Balance sheet

Company no. 2906362

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	10		74,550		78,100
Current assets:					
Debtors	11	56,617		62,333	
Short term deposits		300,000		–	
Cash at bank and in hand		1,221,867		1,446,117	
		<u>1,578,484</u>		<u>1,508,450</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(49,926)		(56,229)	
Net current assets			<u>1,528,558</u>		<u>1,452,221</u>
Total net assets			<u>1,603,108</u>		<u>1,530,321</u>
The funds of the charity:	15				
Restricted income funds			1,034,780		987,373
Unrestricted income funds		493,778		367,669	
Designated funds (Northmoor Trust)		–		97,179	
Designated funds (lease)		74,550		78,100	
		<u>568,328</u>		<u>542,948</u>	
Total unrestricted funds:			<u>568,328</u>		<u>542,948</u>
Total charity funds			<u>1,603,108</u>		<u>1,530,321</u>

Approved by the trustees on 12th September 2023 and signed on their behalf by

James Timpson OBE
Chair

Statement of cash flows

For the year ended 31 March 2023

Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	72,787	279,760
Depreciation charges	7,847	10,077
Interest income	(4,339)	(189)
Decrease in debtors	5,716	(30,586)
Decrease in creditors	(6,303)	15,458
Net cash from/(used in) operating activities	<u>75,708</u>	<u>274,520</u>

	2023 £	£	2022 £	£
Net cash from/(used in) operating activities		75,708		274,520
Cash flows from investing activities:				
Interest income	4,339		189	
Purchase of fixed assets	<u>(4,297)</u>		<u>(6,527)</u>	
Net cash used in investing activities		<u>42</u>		<u>(6,338)</u>
Change in cash and cash equivalents in the year		75,750		268,182
Cash and cash equivalents at the beginning of the year		<u>1,446,117</u>		<u>1,177,935</u>
Cash and cash equivalents at the end of the year		<u>1,521,867</u>		<u>1,446,117</u>

1 Accounting policies

a) Statutory information

Prison Reform Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 15 Northburgh Street, London, EC1V 0JR.

b) Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

f) Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

j) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs, and
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Reducing unnecessary imprisonment	43%
• Improving treatment & conditions for prisoners & their families	28%
• Promoting equality & human rights in the justice system	6%
• Informing the public, parliament in the justice system	12%
• Support costs	5%
• Governance costs	6%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Reducing unnecessary imprisonment	49%
• Improving treatment & conditions for prisoners & their	31%
• Promoting equality & human rights in the justice system	7%
• Informing the public, parliament in the justice system	13%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Service charges are charged quarterly over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold property	2%
• Computer equipment	100%
• Fixtures & fittings	25%

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Long term deposits refer to maturity of one year from opening.

p) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably 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 normally recognised at their settlement amount after allowing for any trade discounts due.

1 Accounting policies (continued)

q) Pensions

The Prison Reform Trust contributes towards employees' personal pension plans with costs being charged to the Statement of Financial Activities as they fall due. The Prison Reform Trust contributes to staff pensions at the rate of 7% on gross salaries. Pensions can be taken out by all staff on all contracts.

2 Income from charitable activities (unrestricted)

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Grants (see below for list of funders)	339,000	–	339,000	257,000	–	257,000
Gifts & donations	315,315	–	315,315	146,671	–	146,671
Legacies	30,604	–	30,604	70,108	–	70,108
Other	35,622	–	35,622	56,290	–	56,290
	720,541	–	720,541	530,069	–	530,069
Unrestricted charitable activity–Grants						
Esmée Fairbairn Foundation	72,000	–	72,000	60,000	–	60,000
Hadley Trust	50,000	–	50,000	70,000	–	70,000
J Leon Charitable Fund	15,000	–	15,000	–	–	–
Alchemy Foundation	15,000	–	15,000	30,000	–	30,000
AB Charitable Trust	44,000	–	44,000	40,000	–	40,000
John Armitage Charitable Trust	60,000	–	60,000	–	–	–
Highway One Trust	10,000	–	10,000	–	–	–
Millward Family Trust	10,000	–	10,000	–	–	–
SR & PH Southall Trust	10,000	–	10,000	–	–	–
Persula Foundation	20,000	–	20,000	–	–	–
Other	33,000	–	33,000	57,000	–	57,000
Total unrestricted income from charitable activities	339,000	–	339,000	257,000	–	257,000

Legacies derived from the estates of: Jean Muir (£1,994) and Jennifer Anderson (£28,610).

The value of services provided by advisors and volunteers is not incorporated into these financial statements. Acknowledgement of their contribution can be found in the Report of the Trustees.

3 Income from charitable activities (restricted)

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Reducing unnecessary imprisonment						
National Lottery	–	527,467	527,467	–	518,793	518,793
Sub-total for reducing unnecessary imprisonment	–	527,467	527,467	–	518,793	518,793
Improving treatment and conditions for prisoners and their families						
Hadley Trust	–	150,000	150,000	–	130,000	130,000
Porticus UK Foundation	–	35,000	35,000	–	84,993	84,993
Goldsmiths' Company	–	33,000	33,000	–	30,000	30,000
Blagrove Trust	–	30,400	30,400	–	30,000	30,000
Rank Foundation	–	–	–	–	10,000	10,000
Lankelly Chase Foundation	–	–	–	–	30,000	30,000
AB Charitable Trust	–	2,400	2,400	–	–	–
Lloyds Bank Foundation	–	5,000	5,000	–	–	–
Bernard Lewis Family Trust	–	37,500	37,500	–	–	–
Garfield Weston	–	50,000	50,000	–	–	–
The Band Trust	–	30,000	30,000	–	–	–
Sub-total for improving treatment & conditions for prisoners & their families	–	373,300	373,300	–	314,993	314,993

3 Income from charitable activities (restricted) continued

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Promoting equality & human rights in the justice system						
The Open Society Foundation	–	360,721	360,721	–	435,350	435,350
Other	–	–	–	–	2,154	2,154
Sub-total for promoting equality & human rights in the justice system	–	360,721	360,721	–	437,504	437,504
Informing the public, Parliament & policy development						
The Bromley Trust	–	40,000	40,000	–	40,000	40,000
Barrow Cadbury Trust	–	34,000	34,000	–	45,400	45,400
Sub-total for informing the public, Parliament & policy development	–	74,000	74,000	–	85,400	85,400
Total restricted income from charitable activities	–	1,335,488	1,335,488	–	1,356,690	1,356,690

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2023

4a Analysis of expenditure (current year)

	Charitable activities								
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 6)	22,646	284,762	301,532	77,949	59,709	–	495,891	1,242,489	1,125,882
Travel, training & subsistence	175	32,405	23,816	86,597	–	6,477	20,027	169,497	32,548
Research & consultancy fees	–	47,120	7,059	76,695	1,258	–	10,230	142,362	157,622
Events, legal & professional fees	–	100	–	34,844	–	–	768	35,712	25,032
Office & premises	–	–	–	–	–	–	13,979	13,979	3,287
Finance, audit & insurance	–	–	–	–	–	737	21,108	21,845	19,052
Printing & publications	–	12,369	10,413	6,396	5,574	–	19,217	53,969	29,008
Beneficiary engagement	–	2,276	7,163	–	–	–	210	9,649	9,746
Administration & support	–	99,041	5,000	11,494	2,970	–	(118,505)	–	–
Depreciation	–	–	–	–	–	–	7,847	7,847	10,077
Other costs	4,193	6,347	12,925	67,194	20,789	107	174,338	285,893	214,745
	27,014	484,420	367,908	361,169	90,300	7,321	645,110	1,983,242	1,626,999
Support costs	–	316,104	199,984	45,158	83,864	–	(645,110)	–	–
Governance costs	–	3,587	2,270	512	952	(7,321)	–	–	–
Total expenditure 2023	27,014	804,111	570,162	406,839	175,116	–	–	1,983,242	
Total expenditure 2022	30,000	707,173	508,150	193,159	188,517	–	–		1,626,999

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2023

4b Analysis of expenditure (prior year)

	Charitable activities							
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 6)	19,241	259,036	240,249	38,349	71,174	–	497,833	1,125,882
Travel, training & subsistence	–	10,603	12,412	2,186	58	140	7,149	32,548
Research & consultancy fees	–	26,552	19,751	63,581	850	–	46,888	157,622
Events, legal & professional fees	–	–	658	23,686	–	–	688	25,032
Office & premises	–	–	–	–	–	–	3,287	3,287
Finance, audit & insurance	–	–	–	–	–	892	18,160	19,052
Printing & publications	–	4,069	10,220	630	11,853	–	2,236	29,008
Beneficiary engagement	–	1,256	8,430	–	–	–	60	9,746
Administration & support	–	95,581	5,000	6,034	2,760	–	(109,375)	–
Depreciation	–	–	–	–	–	–	10,077	10,077
Other costs	10,759	4,102	17,854	14,982	20,645	445	145,958	214,745
	30,000	401,199	314,574	149,448	107,340	1,477	622,961	1,626,999
Support costs	–	305,250	193,118	43,608	80,985	–	(622,961)	–
Governance costs	–	724	458	103	192	(1,477)	–	–
Total expenditure 2022	30,000	707,173	508,150	193,159	188,517	–	–	1,626,999

Notes to the financial statements

For the year ended 31 March 2023

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	7,847	10,077
Auditor's remuneration (including VAT):		
Audit	11,280	9,840
Trustee's indemnity insurance	737	892
	<u>11,280</u>	<u>9,840</u>
	<u>737</u>	<u>892</u>

There were no fees for non-audit services.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,049,288	959,844
Social security costs	119,307	98,288
Employer's contribution to defined contribution pension schemes	59,428	53,918
Employer's contribution to personal pension schemes	14,466	13,832
	<u>1,242,489</u>	<u>1,125,882</u>

The following number of employees received employee benefits (excluding employer pension costs and national insurance) during the year between:

	2023 No.	2022 No.
£80,000–£90,000 (2022: restated from £100,000–£110,000 to £80,000–£90,000)	1	1

The total employee benefits (including pension contributions and national insurance) of the key management personnel were £102,847 (2022: £98,797).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £6,477 (2022: £140) incurred by 16 (2022: 1) members relating to attendance at meetings and planning awaydays of the trustees. Training expenses were £nil (2022: £nil). Hospitality and refreshments totalled £107, and insurance £737.

7 Staff numbers

The average number of employees (head count based on number staff employed) during the year was 26 (2022: 26).

Staff deployment

	2023 Approx. head count	2022 Approx. head count
Reducing unnecessary imprisonment	5	4.5
Improving treatment & conditions for prisoners & their families	10	10
Promoting equality & human rights in the justice system	1.5	1.5
Informing the public, parliament in the justice system	4.5	5
Support	5	5
	<u>26</u>	<u>26</u>

8 Related party transactions

One grant was received from 29th May Charitable Trust for whom a PRT trustee, Elizabeth Rantzen, is also a trustee (2022:1).

Aggregate donations from related parties were £67,607, from the Chair, James Timpson of £66,287, (consisting of donations and reimbursement for staff and volunteer Christmas meal), and a donation from Edward Garnier, trustee of £1,320 (2022: £2,200).

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At the start of the year	177,500	–	–	177,500
Additions in year	–	–	4,297	4,297
At the end of the year	177,500	–	4,297	181,797
Depreciation				
At the start of the year	99,400	–	–	99,400
Charge for the year	3,550	–	4,297	7,847
At the end of the year	102,950	–	4,297	107,247
Net book value				
At the end of the year	74,550	–	–	74,550
At the start of the year	78,100	–	–	78,100

All of the above assets are used for charitable purposes.

11 Debtors

	2023 £	2022 £
Other debtors	2,887	33,257
Prepayments	21,720	18,376
Accrued income	32,010	10,700
	56,617	62,333

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3,455	14,744
Taxation, social security, pensions	799	261
Charge card	7,752	4,264
Accruals & deferred income (note 13)	37,920	36,960
	49,926	56,229

13 Deferred income

Deferred income (£30,000), is comprised of the annual payment of a grant from Goldsmiths, paid in March 2023 to be used over the course of the financial year commencing April 2023.

	2023 £	2022 £
Balance at the beginning of the year	30,000	–
Amount released to income in the year	–30,000	–
Amount deferred in the year	30,000	30,000
Balance at the end of the year	<u>30,000</u>	<u>30,000</u>

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	74,550	–	74,550
Net current assets	493,778	–	1,034,780	1,528,558
Net assets at the end of the year	<u>493,778</u>	<u>74,550</u>	<u>1,034,780</u>	<u>1,603,108</u>

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	78,100	–	78,100
Net current assets	367,699	97,179	987,373	1,452,251
Net assets at the end of the year	<u>367,699</u>	<u>175,279</u>	<u>987,373</u>	<u>1,530,351</u>

15a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	492,894	527,467	484,420	–	535,941
Improving treatment & conditions for prisoners & their families					
Advice & information service	–	237,500	207,351	–	30,149
Prisoner engagement	73,901	105,800	158,879	–	20,822
Active citizens–improving regimes	–	30,000	1,678	–	28,322
Promoting equality & human rights in the justice system					
Disability in prison–global	401,806	360,721	361,169	–	401,358
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	9,010	17,000	19,229	–	6,781
Bromley Briefings Prison Factfile	–	40,000	55,716	15,716	–
Communications & policy	9,762	17,000	15,355	–	11,407
Total restricted funds	987,373	1,335,488	1,303,797	15,716	1,034,780
Unrestricted funds:					
Designated funds:					
Fixed asset fund	78,100	–	3,550	–	74,550
Northmoor Trust	97,179	–	97,179	–	–
Total designated funds	175,279	–	100,729	–	74,550
Unrestricted income fund	367,669	720,541	578,716	(15,716)	493,778
Total unrestricted funds	542,948	720,541	679,445	(15,716)	527,583
Total funds	1,530,321	2,056,029	1,983,242	–	1,603,108

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2023

15b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	375,300	518,793	401,199	–	492,894
Improving treatment & conditions for prisoners & their families					
Advice & information service	41,529	130,000	184,948	13,419	–
Prisoner engagement	18,534	174,993	119,626	–	73,901
Active citizens–improving regimes	–	–	–	–	–
Writing competition	–	–	–	–	–
Independent Commission	–	10,000	10,000	–	–
Promoting equality & human rights in the justice system					
Disability in prison–global	113,750	437,504	149,448	–	401,806
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	4,049	22,700	18,594	–	9,010
Bromley Briefings Prison Factfile	354	40,000	55,535	–	–
Communications & policy	23,243	42,700	33,211	2,042	9,762
Director salary	–	–	–	–	–
Total restricted funds	576,759	1,376,690	972,561	15,461	987,373
Unrestricted funds:					
Designated funds:					
Fixed asset fund	81,650	–	3,550	–	78,100
Northmoor Trust	261,451	–	164,272	–	97,179
Total designated funds	343,101	–	167,822	–	175,279
Unrestricted income fund	339,677	530,069	486,616	(15,461)	367,669
Total unrestricted funds	682,778	–	654,438	(15,461)	542,948
Total funds	1,250,561	1,906,759	1,626,999	–	1,530,321

15 Purposes of restricted funds

In the financial year ended 31 March 2023, the Prison Reform Trust operated the following programmes through restricted funding:

Reducing unnecessary imprisonment

Building Futures: Funded by the National Lottery, this is a five-year programme focusing on long-term imprisonment in the UK.

15 Purposes of restricted funds (continued)

Improving treatment & conditions for prisoners and their families

Advice & Information Service: Funded by the Hadley Trust, Garfield Weston and the Bernard Lewis Family Trust, the Prison Reform Trust's advice and information service responds to thousands of queries a year from prisoners, their friends and families, and from people working with prisoners.

Prisoner engagement: Funded by Porticus UK, Blagrove Trust, the Goldsmiths' Company, AB Charitable Trust and Lloyds Bank Foundation, the prisoner engagement programme involves and seeks views from those affected by the criminal justice system.

Active Citizens: The Band Trust supports this work. On active citizenship, the Prison Reform Trust engages with prisons to facilitate workshops to identify new ways in which prisoners can take more responsibility for the health of their community.

Promoting equality & human rights in the justice system

Disability in prisons, global: This work is funded by the Open Society Foundation. This foundation gave funding in this financial year to expend over future financial years.

Informing the public, Parliament & policy development

All Party Parliamentary Penal Group: The Prison Reform Trust is funded by the Barrow Cadbury Trust to organise and provide the secretariat to meetings.

Bromley Briefings Prison Factfile: The Bromley Trust funds towards the bi-annual compilation, publication and dissemination of Prison: the Facts.

Communications & policy: The Barrow Cadbury Trust supports the communication and policy function.

Transfers

The reason for transfers at the Prison Reform Trust is to apply cash from unrestricted funds to finance a deficit on restricted funds. The total amount transferred from unrestricted funds to finance deficits in restricted programmes totals £15,716 for the financial year (2022: £15,461).

Purposes of designated funds

Designated funds consist of: a single fixed asset fund, representing the lease at 15 Northburgh Street. There remains 21 years at the current rate of amortisation. Also, a designated fund established in the 2018/19 financial year from monies donated by the Northmoor Trust. These funds were expended according to agreement reached by trustees, and remaining funds were fully expended during this financial year.

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

PRISON REFORM TRUST

England & Wales - Charity number 1035525

Accounts

Company number: 2906362

Charity number: 1035525

Prison Reform Trust

Report and financial statements

For the year ended 31 March 2022

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Reference and administrative information

For the year ended 31 March 2022

Company number	2906362
Charity number	1035525
Registered office and operational address	15 Northburgh Street LONDON EC1V 0JR
Country of Registration	England & Wales
Country of incorporation	United Kingdom
Honorary Positions	The Right Honourable the Lord Hurd of Westwell CH, CBE: President The Right Honourable the Lord Woolf of Barnes CH: Honorary President
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Muhammed Maqsood Ahmed, OBE: (Member of Staffing & General Purposes Sub-Committee) The Right Honourable the Lord Keith Bradley PC: (Vice Chair) Shadae Cazeau (<i>appointed 8 February 2022</i>) Mifta Choudhury: (Member of Staffing & General Purposes Sub-Committee) Professor Dr Benjamin Crewe Geoff Dobson OBE: (Member of Finance & Fundraising Sub-Committee) The Right Honourable the Lord Edward Garnier QC The Right Honourable David Gauke (<i>appointed 11 March 2022</i>) Dr Ann Hagell (<i>resigned 5 October 2021</i>) Julia Killick CBE: (Chair of Staffing & General Purposes Sub-Committee) Michelle Nelson QC (<i>resigned 5 October 2021</i>) Nigel Newcomen CBE: (Member of Staffing & General Purposes Sub-Committee)

Reference and administrative information

For the year ended 31 March 2022

Rebecca Page: (Member of Finance & Fundraising Sub-Committee)
(appointed 8 February 2022)

Elizabeth Rantzen: (Treasurer/Chair of Finance & Fundraising Sub-Committee)

Dale Simon CBE

Osmond Junior Smart OBE

James Timpson, OBE: (Chair)

Key management Peter Dawson Director

Bankers Lloyds Bank plc
30-34 Moorgate
LONDON
EC2R 6DN

Solicitors Bates Wells & Braithwaite
Cheapside House
138 Cheapside
LONDON
EC2V 6BB

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of the charity are; for the public benefit to further and promote improvements in the penal system in the United Kingdom and the prevention of crime. This report provides an explanation of how the Prison Reform Trust's significant activities fulfil the aims of the charity for the public benefit.

The strategies employed to achieve the charity's objectives, and so create a just, humane and effective penal system, are to inquire into the workings of the system; inform prisoners, staff and the wider public; and influence Parliament, Government and officials towards reform. To do this the Prison Reform Trust combines public education and work through the media with applied research, advocating for change, advice and information and parliamentary work, including provision of the secretariat to the All-Party Parliamentary Penal Affairs Group. Its four major programmes of work during this period were: reducing unnecessary imprisonment; improving treatment and conditions for prisoners and their families; which includes the rehabilitative impact of prison, contribution to the prevention of crime; promoting equality and human rights in the justice system; and informing the public, Parliament and policy development.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our purpose

To create a just, humane and effective penal system.

Our vision

We will influence decision makers, opinion formers and the public to:

Reduce the use of prison. That is about who goes to prison and for how long, and means:

- only the most serious crime should result in a sentence of imprisonment
- prison sentences should not be so long that they destroy hope and should always make full and constructive use of time inside

Improve conditions for prisoners, which requires:

- a framework of rights for prisoners as citizens
- a safe, decent, fair and purposeful way of life in prison
- the opportunity for prisoners to make amends to those they have harmed; and to take responsibility for creating a better future for themselves
- a prison estate that is not overcrowded; and allows a prisoner to remain a member of the community to which they will return

Promote equality and human rights in the criminal justice system, by:

- tackling discrimination
- protecting and improving the statutory framework for those rights

How we work

All the work we do is underpinned by the following core principles:

- Listening to and providing a voice for prisoners and their families; and promoting their role in making change happen
- Organisational credibility, built on sound governance and finance, and exceptional colleagues with experience from multiple perspectives, knowledge and integrity
- Knowing the limits of our strengths and expertise; and working closely with partners to have a bigger impact overall
- Not accepting money directly from central government, to preserve our freedom to say whatever needs to be said

- Influencing policy makers by gathering, analysing and publishing the facts; promoting good practice and celebrating success; understanding the realities but seeing the possibilities
- Principled opportunism: seizing the chance to make progress when it's there
- Retaining a memory for what has happened in the past; and drawing out the learning from it

Our work in furtherance of our vision is organised under four broad challenges for the period of our 5-year strategic plan (2018–23):

- Reducing unnecessary imprisonment: Change who goes to prison and for how long
- Improving treatment and conditions for prisoners and their families: Improve life in prison
- Promoting equality and human rights in the justice system
- Informing the public, Parliament and policy development; Get the facts about prisons and prisoners better known

Overview of the year

In common with every other organisation, we spent the year continually adjusting our priorities and activity in response to the twists and turns of the pandemic. Successive waves of Covid frustrated what we had anticipated would be a year of recovery. Nevertheless, the emphasis we put on involving prisoners in policy, and the strength of our techniques for doing so, put us in very close contact with the team responsible for designing post pandemic prison regimes. We are trusted and consulted on a regular basis behind the scenes, and the work being done in that context provides a glimmer of positivity in a prison landscape that is otherwise extremely bleak.

What we might not have expected in the midst of a pandemic was to be so fully occupied with both a major bill and a white paper devoted entirely to prisons policy. The outcomes on both were frustrating, but we can claim modest success in securing the first legislative change to Imprisonment for Public Protection (IPP) arrangements since 2012, and the formation of a very broad and impressive coalition of Peers dedicated to wider IPP reform. On the white paper, there are ambitions we would share, though very few are resourced or timetabled. But perhaps as significant is that the very real risk of a damaging shift in policy towards harsher conditions appears to have been averted.

The work of the commission chaired by Bishop James Jones also represents a very significant achievement in the most testing of circumstances, pursuing a policy shift that will take many years to achieve but which might otherwise be abandoned altogether.

At every opportunity we have visited prisons, and our daily contact with prisoners – through record breaking numbers of inquiries to the advice service and the constant emailing and letter writing of both the Prisoner Policy Network (PPN) and Building Futures networks – has never been more intense. If we are pushing a boulder up a hill, we would have to admit that progress has been slow. But we have stopped it from rolling to the bottom, which remains a serious risk.

Thanks to the continuing support of long-term funders, a broadening of that base and a boost in the contributions made from many individual supporters in our 40th anniversary year, PRT is in a sound financial position. This has enabled us to continue to employ a new generation of outstanding colleagues from a diverse range of personal backgrounds, many with personal experience of imprisonment. A third of the team as a whole, and half of the senior management team, have that experience. The organisation benefits hugely from its diversity of background, experience and expertise, and that has played a significant part in allowing us to come through the pandemic with no loss of energy, influence, or focus.

Our progress against each of our 4 strategic objectives in 2021/22 was as follows.

Reducing unnecessary imprisonment; change who goes to prison and for how long

The number of adults in prison started to rise slowly from the low of around 78,000 caused by the cessation of much court activity during the pandemic, reaching around 80,000. Remand numbers remained high by recent standards – for the same reason. Recalls are now firmly established as one of the main drivers of population growth, with nearly 10,000 people now in prison for that reason, rising by 6% a year. Over 6,000 people are serving extended determinate sentences – in its various forms essentially the successor to the IPP sentence. The government's projection remains that there will be nearly 100,000 adults in prison by 2026, driven by longer sentences, a greater proportion of sentences spent in custody, and increased detections and prosecutions due to increased police numbers.

- *Provide detailed briefing and support during the passage of sentencing legislation, with a view to mitigating the most inflationary aspects of the government's sentencing proposals.*

We led efforts, working very closely with the Howard League and principally in the House of Lords, to secure amendments to the Police, Crime, Sentencing and Courts bill in relation to IPP sentences and to new powers to “re-sentence” people subsequently considered to be dangerous. In the face of an overwhelming government majority in the Commons, we were only able to get a modest reform on IPPs, making referral for consideration of licence cancellation automatic after 10 years, but that is the first change in IPP legislation since 2012. Nevertheless, in the process we have helped form a powerful cross-party coalition in the Lords which will be significant when the Justice Committee publishes its report into IPPs before the summer recess. We gave written and oral evidence to that inquiry, and continued to work very closely with UNGRIPP, an organisation dedicated to the IPP issue and in particular the support of families of people serving that sentence.

- *Work with the Alliance for Youth Justice and other partners to mitigate the impact of current proposals on the numbers of children incarcerated.*

Securing amendments proved impossible in the face of the government's determination to press ahead.

- *Respond to specific consultations within the root and branch review of parole, and to the findings of the review on completion.*

The root and branch review was not complete by the end of this reporting year, delayed by the departure of one Justice Secretary, Robert Buckland, and the arrival of another with significantly different views – Dominic Raab. We responded to the one element of the review – concerning public hearings – which has been consulted upon. The publication of the review after the end of the reporting year has demonstrated the dramatic impact of that change in leadership and dealing with the very serious and damaging consequences will be a major focus for our work in 2022/23.

- *Publish an update on implementation of the female offender strategy, a briefing to update our "Why focus in reducing women's imprisonment publication", and a 2022 update on local data on incarceration rates by police force area.*

The lack of published data prevented us from updating local incarceration rates. But we punched above our weight in this area despite the very limited resources we can now devote to it. In particular, our forensic analysis of the progress (or lack of it) in implementing the female Offender Strategy bore fruit in a very critical National Audit Office (NAO) report on exactly that topic, leading to a very difficult session before the Public Accounts Committee for the minister and senior officials. There has been a noticeable re-invigoration of the implementation effort as a result. Nevertheless, with others, we continue to highlight the nonsense of a commitment to build 500 new prison places for women when the government's stated aim is to reduce the number of women in prison.

- *Engage with the review of neuro divergence in the Criminal Justice (CJ) system commissioned by the Lord Chancellor.*

We submitted evidence to this review, the fate of which remains uncertain given Robert Buckland's departure.

"Building Futures" (BF) is our five-year programme, funded by the National Lottery Community Fund, to examine the challenges facing the very long-term prison population, including how people in that situation are enabled to spend their time in prison in a way which will support their eventual successful reintegration into society.

Within the Building Futures Programme, we said we would

- Establish a network of Building Futures Associates in a small number of prisons.

By the end of the reporting year we had groups in four prisons (Swaleside, Rye Hill, Aylesbury and Low Newton (women)) with plans for a further three.

- *Grow the current Building Futures Prisoner Network to provide a broader base for consultation and involvement.*

Around 340 prisoners have now joined the Building Futures network, and we have developed a sophisticated database to allow us to analyse what they have to tell us.

- *Begin, in collaboration with Ben Jarman from the Cambridge Prison Research Centre, a study of the parole process for the BF cohort, with specific attention to the frequency of earliest possible release, and common routes to recall.*

This crucial project was a main focus over the reporting year and produced a very detailed paper about progression within the system for long term prisoners. That paper will form the basis of a report to be published in the summer of 2022.

- *Publish a detailed factsheet reflecting the characteristics of the BF cohort, and provide a baseline for key measures under the programme.*

We published this unique analysis in the summer of 2021.

- *Seek HMPPS approval for an in-house research project on “alternatives to institutionalisation”, designed to learn from the BF cohort how people draw meaning and hope from within their circumstances, as a driver for policy discussions with the long-term estate.*

Despite the cessation of all research permission during the pandemic, we were able to secure agreement to carry out and complete a preliminary survey for this project.

- *Begin work on a briefing to consider the issues for the BF cohort of “ageing inside”, with a particular focus on the transition from young adulthood.*

This was in its early stages by the end of the reporting year and will be an early priority for the next 12 months.

- *In collaboration with Marie Hutton of University of Sussex, publish a report drawing on our consultation with prisoners and family members about family relationships during very long sentences.*

We use the evidence that was gathered to support a strand within the project on women serving long sentences in particular.

- *In collaboration with Serena Wright, of Royal Holloway, publish a briefing on the distinctive challenges for women serving very long sentences, and as part of this work form an Active Women's Group within the BF cohort to inform the programme throughout its existence.*

"Invisible women" was published in the summer of 2021, and has led to the formation of one network group in Low Newton, with another planned for HMP Send.

- *In collaboration with the Prisoner Policy Network (PPN) consult prisoners on the issue of the mixing of people serving long and short-term sentences, and of young adult prisoners with older prisoners.*

We have not been able to complete this work, which will be picked up as part of the "Ageing Inside" strand.

- *Work with colleagues in the Scottish Prisoner Advocacy and Research Collective (SPARC), based at Glasgow University, to develop prisoner engagement for the programme in Scotland.*

Although hampered by the pandemic, these links have been established.

In addition, David Maguire, representing PRT as the only external body invited to sit on a scrutiny panel looking at the future of interventions within prisons, was able to represent what prisoners have told us about the significant challenges and shortcomings with intervention programmes. Having been part of the panel since September 2019 up until its conclusion in January 2022, PRT's contribution was recognised by the HMPPS deputy director of reducing reoffending as: *"unique input, {that} provided important insights and challenged our thinking to the benefit of the overall programme... {we} have valued your commitment and input as we have edged towards a potential new approach to accredited programmes."*

Improving treatment and conditions for prisoners and their families; Improve life in prison

This time last year we said we would:

- *Continue to support the work of the Independent Commission into the Experience of Victims and Long-Term Prisoners (ICEVLP) (Bishop's Commission), with the expectation of publication of a report in the summer and a programme of dissemination to follow.*

The Commission's report was published on 16 June, after the end of this reporting year – a delay occasioned largely by a desire to secure coverage on Radio 4, which we achieved. In the event, it has coincided with a serious attack by the government on the prospects for progression of indeterminate and long sentence prisoners. There has never been a more important moment for a

balanced and thoughtful contribution to the issue of how the most serious crime should be punished and the people who commit it given some hope for the future.

- *Review the operation of the Advice and Information (A and I) service in the light of easing restrictions and our experience of new working methods during the pandemic.*

A and I has adapted ceaselessly, all under the pressure of an unprecedentedly high workload, including a record number of safeguarding contacts.

- *Continue to refresh information resources for prisoners and families, and in particular for people serving indeterminate sentences.*

This work has continued, though hampered by the sheer volume of casework

- *Circumstances permitting, recruit a further Release on Temporary Licence (ROTL) trainee later in the year.*

Circumstances did not permit, unfortunately, with significantly reduced ROTL from prisons all year. The absence of a trainee placed even more pressure on the rest of the A & I team.

- *Undertake a small-scale study of the obstacles to controlled but widespread internet access in prisons for prisoners.*

This project is nearing completion.

- *Take forward the proposal to work with HMPPS on the involvement of prisoners in recruitment and training of prison officers.*

After several years of trying, we finally found a sympathetic policy contact in HMPPS for this work and plan to take it forward with the deputy director for the female estate.

- *Work closely with HMPPS officials as they develop their thinking on recovery from the pandemic, taking opportunities in particular to feed in the perspective of prisoners and press for prisons to make prisoner involvement a standard element of their planning and delivery.*

We have had monthly meetings with this team, and they have made extensive use of Covid Action Prisons Project: Tracking Innovation, Valuing Experience(CAPPTIVE) and other PRT outputs. This has been one of the most important areas of activity during the reporting period, and we are optimistic that despite operational and political headwinds, it will produce a positive and principled framework for what life in prison should be like for the people who live there. It has underlined the importance of our work to engage prisoners in the policy process. On this theme we said we would:

- *Support the work of the Positive Pathways for Prisoners programme (funded by Porticus) through a Prisoner Policy Network (PPN) consultation on family contact.*

We did this in the context of the Building Futures programme.

- *Use the PPN database to generate snapshots of PPN communications to share internally alongside A and I data to inform PRT's corporate awareness of issues of both immediate and persistent concern.*

This is not yet in operation, and remains an ambition for 2022/23.

- *Subject to funding, provide a discrete PPN focus for young adults (up to the age of 30), and a report reflecting their experience of custody.*

We are taking this forward specifically in the context of young adult women, and expect to complete early in the new reporting year.

- *Produce a 4th CAPPTIVE report bringing together the project's findings, with an emphasis on learning for recovery.*

This was overtaken by a separate CAPPTIVE consultation to inform future regime design, producing the report "It doesn't have to be like this".

There are over 1000 PPN members, including a growing community of people who have joined in prison but now left. PPN members have been active in numerous focus groups and discussion workshops, with the Prison Leavers project on therapeutic interventions, and resettlement passport, as well as user design of phone apps for those with learning disabilities and acquired brain injury. They have taken part in discussions about the trial and plea bargaining process with a partner organisation Fair Trials, and on prisoner experiences of interventions for heroin use whilst in prison as well as work with the Nuffield Trust on women's healthcare.

PPN team members and PPN community members continue to be sought out for membership of Advisory Boards for university research and are currently engaged in projects with:

- University of York on healthcare in prison under Covid
- University of Manchester on women's experience of self-harm in prison
- University of Manchester on continuity of Care for women who self-harm post release
- University of Manchester on women's social care needs in prison
- University of Southampton on women's experiences of diversion from custody in residential settings
- Ministry of Justice (MoJ) Innovation Unit on improving outcomes for care experienced prisoners in the Midlands

The PPN team has continued to work very closely with Unlocked Graduates, with team members being involved in the recruitment and assessment process, induction training, as well as hosting a panel discussion at the Unlocked Graduates Summer conference with 4 PPN members. One PPN member was supported to secure a paid role with Unlocked Graduates to work as a trainer at the Summer School. The team led a session for officer keyworkers at Highpoint prison to discuss the challenges of key working with IPP prisoners.

The team's head, Paula Harriott, has undertaken multiple speaking engagements, most notably in the Channel Islands for Lloyds Bank Foundation, including a visit to Guernsey Prison. She has presented to the strategy team of the Save the Children global fund about the need to focus resources on support for the children of incarcerated parents. In Northern Ireland and Scotland, she has been working to support the launch of lived experience networks. The Secret life of Prisons podcast continues to flourish and was yet again nominated in the Radio Academy awards as one of the top five independent podcasts.

Promoting equality and human rights in the justice system

This time last year we said we would:

- *Restart Active Citizens workshops if restrictions permit.*

This was not possible because of the restrictions in prisons, but a workshop was completed in HMP Belmarsh shortly after the year's conclusion.

- *Continue our challenge to the rollout of Pelargonic Acid Vanillylamide (PAVA) spray and ensure Her Majesty's Prison and Probation Service (HMPPS) is held to account for the way it is used.*

We finally secured a first meeting of an expert advisory panel with external membership to oversee the use of force generally, including PAVA. We have received monthly updates on the use of PAVA specifically and meet with the relevant officials every couple of months to review. Encouragingly, we have also been shown an unpublished but updated evaluation of the 4 original pilot sites for PAVA. We continue to liaise with the Equality and Human Rights Commission (EHRC,) since the data shows disproportionate use against people from ethnic minorities, and a continuing absence of data on people with disabilities. Our view is that the care taken over evaluation and the still very slow progress of the national rollout of PAVA may owe something to the degree of very detailed scrutiny and challenge we have provided. The importance of external involvement in an expert advisory group is that we will be able to share that role with bodies like the inspectorate and independent advisory panel on deaths in custody amongst others. The Chief Inspector continues to take a close and helpful personal interest, with prison reports regularly commenting on the issue.

- *Continue membership of the External Advice and Scrutiny Panel (EASP), and press for greater accountability over the way equality impact assessments are responded to in the formation of policy, and specifically in relation to the White Paper on sentencing.*

We have done this and highlighted the inadequacy of equality assessments for both the Police, Crime, Sentencing and Courts (PCSC) bill and the Prison Strategy white paper. We have not yet secured the publication of the HMPPS Race Action Programme.

- *Contribute to the strategic review of the children's estate and press for the use of specialist and high-quality provision in preference to Young Offenders Institutions YOIs where the opportunity arises.*

The review has stalled, partly because of the pandemic but also with significant changes in personnel in both Youth Justice Board (YJB) and HMPPS. But it also owes much to the disastrous failure of both Rainsbrook and Oakhill STCs during the year and the firefighting that all of those involved in the system have been doing as a result. The "secure school" at Medway appears no closer to opening. So the opportunity to press for the strategy that is still desperately needed has been minimal.

- *Continue our membership of the Advisory Board on Female Offenders (ABFO) and ensure that the distinctive experience of women is reflected in all our work (as evidenced in objectives earlier in this paper).*

We contributed fully both to the decision in the National Audit Office (NAO) to review the implementation of the Female Offender Strategy and to the review itself. Its conclusions referenced PRT directly and rested heavily on the analysis which we provided. We can say with confidence that we have forced the department to give this the attention which it has been denied since the strategy was published in 2018. We continue to be a major voice in this area, and to punch above our weight.

PRT Associate Sarah Beresford is continuing the work on Child Impact Assessments for children with a mother in the criminal justice system. It has been agreed that Sarah will produce a toolkit (to be published in October 2022) that can be used by any relevant partnership groups (e.g. Criminal Justice Boards, local authorities, Women's Alliances, etc.) to pilot the use of Child Impact Assessments. The toolkit will clarify the purpose of a Child Impact Assessment and will explore how this might be used at every stage of a mother's journey (arrest, court, imprisonment or community sentence, release) to ensure children are meaningfully and appropriately involved in decision-making about any support they may need.

Drawing on a year-long consultation process, which has given rise to a wide range of feedback from children and mothers with lived experience, statutory and voluntary sector staff who support them, as well as policy makers, the toolkit will comprise case studies and practical tools (e.g. a podcast) to paint a picture of how the Child Impact Assessment might be piloted in various contexts.

- *Carry out a PPN consultation focused on race.*

In the event, the persistence of the pandemic meant that we devoted PPN energies to continuing the work of reflecting the prisoner experience of lockdown and, latterly, to informing the work to design new post-pandemic regimes. But with the assistance of the PPN advisory board, the groundwork for this consultation was completed and it has been launched in May 2022.

Learning difficulties and disabilities

Over the last decade, PRT played a prominent role in highlighting the discrimination suffered by people with learning difficulties and disabilities, helping to transform the provision of liaison and diversion services in the criminal justice system. That leadership has, for a number of years, been recognised by the Open Society Foundation, which has again provided very substantial funding for the PRT colleague who leads that work, Jenny Talbot OBE, to co-ordinate a major international programme to promote awareness and good practice overseas and continue the learning process within the UK.

Around the globe, people with disabilities confront unfairness and discrimination in justice systems: from interactions with law enforcement, to reporting crimes, restrictions on serving as witnesses, appointing and instructing defence counsel, and lack of accommodations for participating in legal processes. Law enforcement and justice systems continue to play a role in depriving people with disabilities of their liberty through involuntary psychiatric commitment and other forms of forced institutionalisation. People with disabilities are over-represented in jails and prisons. Deep-seated assumptions about the capacity of people with disabilities reinforce inequitable access to justice. These are rooted in discriminatory laws and policies denying personhood and participation, and are frequently compounded by systemic racism, classism, sexism, and heteronormativity.

Two years ago, the Open Society Foundations (OSF) began developing a global Hub of activists from the disability and criminal justice fields involved in cutting-edge reform efforts in their respective regions. These include Africa, Asia, Europe, and the Americas. Pooling their expertise, members of the Access to Justice Knowledge Hub (the Hub) work to create new standards and tools to challenge discrimination and ensure justice systems function in line with the Convention on the Rights of Persons with Disabilities (CRPD).

To date, the work of the Hub has been organised around three interrelated areas, and each of these will be explored during the 2022 inaugural Access to Justice Institute, facilitated by Jenny Talbot with support from PRT colleagues:

- Reimagining community safety and policing
- Justice Intermediaries
- International standards and a new paradigm to conform to the CRPD (Crux legal issues).

Following the Institute, and with input from our new Fellows, it is expected that new areas of work will be developed to continue to build upon existing activities.

Informing the public, Parliament and policy development: Get the facts about prison and prisoners better known

Under this heading we said we would:

- *Collaborate in the production of further "Secret Life of Prisons" podcasts.*

Further podcasts have been produced, notably one featuring Jimmy McGovern discussing the TV series "Time".

- *Continue to run the writing competition.*

This fell victim to Covid, and in particular to the fact that both education departments and libraries, on which we depend to encourage participation, were largely not operating in prisons.

- *Publish Bromley briefings in June and December.*

Both editions have been published, although we have moved the December version to January on a permanent basis to make sure we can incorporate the most up to date numbers. The January edition's opening section, on public knowledge about sentencing, has helped secure a Justice select committee inquiry promised for 2022/23.

- *In June publish a 40th anniversary history of PRT, both to inform and to support fundraising.*

The history has been published, and we believe contributed to a surge in individual donations in December and January.

- *Publish briefings under the Bromley brand on Home Detention Curfew (HDC) and overcrowding.*

We published the HDC briefing in April 2021 but decided not to pursue the overcrowding briefing for lack of fresh data.

- *Continue the dissemination of findings from 2020 reports on the employment of people convicted of sexual offences, and the recall of IPP prisoners.*

We have had more traction on IPPs than on the first report. The "No life, no freedom, no future" report was regularly quoted in the progress of the PCSC bill and formed the substance of our evidence to the Justice Committee inquiry on IPPs. Dr Mia Harris gave expert oral evidence to that committee based on the report.

- *Test the potential for using Measuring the Quality of Prison Life (MQPL) data against hypotheses about prison life, with a view to securing HMPPS approval for the formal use of that data in an agreed research proposal.*

IT and capacity issues have made this go more slowly than we wanted, but we are now testing some simple hypotheses against the data.

- *Continue to provide the secretariat for the All-Party Group on Penal Affairs (APPG).*

The APPG has continued to operate remotely, and we have a new chair in Paula Maynard MP, following the retirement of Lord Ramsbotham.

- *Complete the re-design of the PRT website.*

This was completed shortly after the end of the reporting year and represents both a major improvement and the fulfilment of a long-held ambition.

- *Hold further online seminars as part of our dissemination work.*

We hosted a successful webinar on PRT's 40th birthday history.

- *Continue to maintain a strong media presence, including prisoner facing media such as Inside Time and National Prison Radio.*

We have achieved this against the odds, given the overwhelming news focus on the pandemic. Our links with both Inside Time and Prison Radio are very strong, and both have played a key role during the extended lockdown of the last two years. They have been key to recruiting members for both the PPN and Building Futures networks.

We continue to devote resource to making detailed and persuasive response to consultations. In the reporting year we responded to the following consultations:

- Human Rights Act Reform: A Modern Bill of Rights.
- Prisons Strategy White Paper response.
- Delivering Justice for Victims MoJ consultation.
- Public Accounts Committee inquiry on improving outcomes for women in the criminal justice system.
- Mayor's Office for Police and Crime (MOPAC) Police and Crime Plan 2021–25.
- Sentencing Council consultation on miscellaneous amendments to sentencing guidelines.
- Justice Committee inquiry on IPP sentences.
- Sentencing Council burglary offences draft guidelines.
- Sentencing Council sexual offences draft guidelines.
- Justice and Home Affairs Committee inquiry into new technologies in law enforcement.
- Submission to the Independent Advisory Panel (IAP) on Deaths in Custody on mental health recovery after the Covid-19 pandemic.
- Justice Committee inquiry on mental health.
- Prisoners' Property Policy Framework.

- Joint Committee on Human Rights (JCHR) legislative scrutiny of the Police, Crime, Sentencing and Courts Bill.
- Reforming the Mental Health Act.
- Independent Human Rights Act Review.

Charity Governance Code

The trustees undertook a review and assessment of PRT, using the Charity Governance Code and the seven principles, (leadership, integrity, decision-making, risk and control, board effectiveness, diversity, openness and accountability) which all underpin organisational purpose. The review resulted in a revised Equalities, Diversity and Inclusion policy and statement.

Priorities and new work for 2022/23

Predicting our future environment has always been difficult, but the uncertainties that continue to surround public health, the disintegration of normal political life, the crisis in cost of living and the continuation of a major European war all conspire to make the next 12 months even more uncertain than usual. Already, the government has delivered a Queen's speech which has the potential to occupy a good deal of our energy. It is far from clear whether legislation on radical and unwelcome changes to the parole system will be brought forward, but administrative changes already announced create much the same need for us to lobby intensively for their reversal or mitigation. A major assault on the human rights of prisoners seems certain the context of the proposed Bill of Rights, and we are already liaising with others in civil society whose interests go well beyond prisons.

IPP reform will remain a key priority, where the report due from the Justice Committee in the summer should provide a lever to return to subjects raised during the PCSC Bill. They will also include race, where the major project for the PPN this year will be an investigation into how prisoners' experience is affected by their race and creating opportunities to promote the long-term debate on sentencing called for by the Independent Commission into the Experience of Victims and Long-Term Prisoners (ICEVLP) report.

However, an implication of a policy environment where so much has already been promised is that our attention should properly also be focused on the detail of how policy can best be implemented. This is where prisoner participation through the PPN, the Building Futures programme and the day-to-day insight we gain from the advice and information service has so much to contribute. Contributing to the design of future regimes remains a key priority.

Research has been difficult during the pandemic, with access limited both by the suspension of the HMPPS approvals process and of course by the difficulty of getting into prisons. We will soon complete a study into the use of ICT in prisons, but we have also been laying the groundwork for research which will use the immense amounts of data available to us because of an agreement to access MQPL survey outcomes, and through the government's "datafirst" programme which is gradually releasing data from the last 10 years drawn from operational information systems in

police, courts, prison and probation settings. We also hope to be able to start work on a study of how prisoners can contribute to the recruitment, development and appraisal of prison officers.

The list of specific objectives we suggest for 2022/23 reflects this context:

Change who goes to prison and for how long

- Use the publication of the Justice Select Committee report on the IPP sentence to press for the publication of action plans for both prisons and probation that will improve release rates and reduce recalls; and continue to collaborate closely with officials in tracking progress against those plans.
- Respond to the root and branch review of parole, and in the context of the Building Futures programme, investigate the potential for more decisions to be both timely and positive in the parole process.
- Continue to play an active role in tracking progress against the Female Offender strategy, including an updated briefing on local arrest and imprisonment rates if the data is made available.
- Within the Building Futures programme
 - Establish additional network groups in 3 further prisons, and ensure an active participative prisoner membership across the UK.
 - Publish a report on progression.
 - Apply for permission to research “alternatives to institutionalisation”, and begin the fieldwork for it.
 - Publish a report on “Ageing Inside.”
 - As part of the “Invisible Women” stream, publish a briefing that highlights priorities women in prison have already identified to us, including reproduction rights, the menopause, and a wider choice of vocational/ meaningful activities that are not based on gender stereotypes.
 - Establish policy and participation links in Scotland and Northern Ireland for the programme.
- Establish “outcome harvesting” as a supporting methodology for the programme’s independent evaluation.

Improve life in prison

- Launch the report of the ICEVLP (Bishop’s Commission) and support Bishop James in a programme of follow-up meetings and events.
- Within the Advice and Information (A and I) service, continue the updating of information resources and seek to have them online in prisons with in-cell ICT.
- Recruit a new ROTL trainee.
- Publish a report on safe internet access in prisons.
- Drawing on PPN insight and participation, work closely with HMPPS officials as they develop the framework for future regimes, including performance indicators.

- Working with the Youth Custody Service (YCS) and a wide range of other public authorities and voluntary sector organisations, highlight the deteriorating conditions within YOIs and Secure Training Colleges (STCs) and champion the development of improved measures to safeguard and hold safely children in custody.
- Plan and host jointly with NACRO a conference on how prison regimes can support successful resettlement.

Get the facts about prison and prisoners better known

- Publish Bromley briefings in July 2022 and January 2023.
- Track the government's progress against commitments in the Prison Strategy White Paper.
- Launch the new PRT website.
- Maintain a strong media presence, both external and prisoner-facing.
- Run a writing competition in 2022.
- Use the PPN database to generate snapshots of insight on current issues.
- Continue to extend the reach of the PPN's influence through collaborations with academic studies and other consultative initiatives in various sectors, and by supporting MoJ/HMPPS efforts to increase service-user participation generally.
- Pursue plans for research based on the use of MQPL and "datafirst" data.
- Provide a programme of high-profile speakers for the APPG.

Promote equality and active citizenship

- Hold active citizens workshops in Belmarsh and Aylesbury.
- Carry out a major PPN consultation on race.
- Maintain our memberships of EASP.
- Continue as an active member of successor arrangements to ABFO and in any event track progress against the Female Offender Strategy.
- Publish a briefing on young adult women in custody.
- Continue to press for a clear long-term strategy for children in custody.
- Continue to challenge the rollout of PAVA spray, and play an active role in the formation of new national independent oversight arrangements for Use of Force.
- Take forward the work identified at the inaugural meeting of the OSF-funded Access to Justice Institute.

Conclusion

The operating context for prisons in 2022/23 looks set to be extremely challenging, with rising prisoner numbers and the real prospect of falling staff numbers. We should expect a good deal of our attention to be given over to the issues that creates, informing the public and pressing ministers to mitigate impacts which are the product to a large extent of policy choices that they have made. It is entirely possible that we will also continue to be dealing with a system hobbled by Covid-related restrictions. Given the hostile policy climate, it makes sense for us to play to our strengths of influence behind the scenes, constant attention to detail, and, increasingly, of

securing the influence of prisoners in the decision-making processes that determine their futures. Though it is already clear that the appetite to use prison issues for political advantage continues unabated and our skills in parliamentary and media facing work will once again be required more than we might have anticipated. We must continue to balance our interest in the long term – reducing the unnecessary use of imprisonment – with the short-term imperative to improve conditions for people in prison now and protect their human rights.

This will be the final year of our current 5-year strategic plan, and we will consult over the summer and autumn to inform the production of a new 5-year strategic plan to begin in April 2023.

Structure, governance and management

Governing document

The company is established under a memorandum of association, which sets out its objects and powers as a charitable company and is governed under its articles of association. The Prison Reform Trust is currently working to a five-year strategic plan, published in June 2018. Work to create a new five-year strategic plan, beginning in 2023, is underway.

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page one. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2022 was 15, (31 March 2021:14)

Organisation

The Prison Reform Trust is a small organisation with clear objectives, a high national profile and a strong track record of achieving policy and practice change. It is governed by an experienced and knowledgeable Board of Trustees which meets four times a year. It operates within an equal opportunities policy the implementation of which is kept under review. Oversight of personnel matters and risk management is maintained by its Staffing and General Purposes sub-committee. Oversight of money is overseen by the Finance and Fundraising sub-committee. Management and development of the charitable company is delegated to its director, Peter Dawson, who is accountable to the Chair. Reports are submitted as required to Companies House and the Charity Commission by the company secretary. Systems for line management, appraisal, staff development and supervision are in place together with grievance and complaints procedures. A strategic plan was agreed by the Board for the period 2018–2023.

The organisation is a charitable company limited by guarantee, incorporated on 3 March 1994 and registered as a charity on 23 March 1994.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration policy

The Prison Reform Trust aims to pay salaries which are fair, competitive with the charity sector and proportionate to the complexity of each role. In determining the right level of pay PRT uses the National Joint Council for Local Government Services pay scales and job evaluations as guidance. All staff are entitled to 7% of their gross salary as a non-contributory pension payment. The Prison Reform Trust ensures all staff are paid above the living wage as defined by the Living Wage Foundation, as well as paying above the London Living Wage.

James Timpson OBE has been the Chair since April 2016. Following a process by which the Staffing and General Purposes Sub-Committee considers the board's needs in terms of its overall experience and skills, and the diversity of its membership, new trustees are invited to join the board. Two trustees stepped down during the financial year (Ann Hagell and Michelle Nelson). Three trustees joined during the financial year (Shadae Cazeau, David Gauke and Rebecca Page).

Trustee induction and training

Opportunities to visit prisons alongside Prison Reform Trust staff are made available to those who wish to take them up. As far as possible, NCVO guidelines are followed regarding induction and training. Outside of the formal meetings structure there is a good level of trustee involvement in steering major programmes and project advisory work.

Financial review

In the financial year 2021/22 overall income exceeded expenditure by £279,760 (2021: income exceeded expenditure by £15,806). Total incoming resources for the year to 31 March 2022, including legacies, grants and donations, was £1,906,759, compared to £1,493,191 in 2021.

Income included a grant from the Open Society Foundation of £435,350. Unusually, this sum is to span three years of programme expenditure and was paid upfront it is restricted to a single programme.

Unrestricted grant, donation, subscriptions, and legacy income shows an increase of approximately 21% (£83,319) from £390,460 in 2021 to £473,779 in 2022, (note 2).

Included in 'Other trading activities' in the Statement of Financial Activities are fee income of £56,101 and a reimbursement of £2,154, giving a total of £58,255. In 2021, 'Other trading activities' comprised £35,851 fee income and £115,382 furlough income, totalling £151,233. No furlough income was claimed in 2022. Overall unrestricted income was £530,069, a decrease of £12,045 from 2021 (£542,114).

The Northmoor Trust made a donation in 2019 and this was designated, to specific purposes by trustees who agreed to use the designation largely over three financial years from 2019. £97,179 remains from £500,000 after this third financial year. The residual funds will be used to cover new roles created as a result of the funding for an additional year.

Restricted income shows approximately 45% increase of £425,613, from £951,077 to £1,376,690. This is explained by the receipt of three years of funding for the Open Society Foundation programmes in the 2022 financial year (£437,504).

Further details of funders who generously provided support for restricted funding programmes during the year are shown in note 14.

The Prison Reform Trust received significant donations and grants towards core costs from the Esmée Fairbairn Foundation; the Hadley Trust; the Emmanuel Kaye Foundation; the Miranda Fund; the 29th May 1961 Charitable Trust; the AB Charitable Trust; the PR& SH Southall Charitable Trust.

The Alchemy Foundation granted a sum restricted for use towards the fundraising costs and salary. This has been included in unrestricted totals.

Legacies derived from the estates of Margaret Bryer, Janet Trevelyan, Jill Stephenson, Hans Toch and Averil Stedeford, (note 2).

Total resources expended in the year amounted to £1,626,999, compared to £1,477,385 in the previous financial year, an increase of approximately 10% and amounting to £149,614. Net assets at the year-end totalled £1,530,321 of which 5% were represented by fixed assets. The charity's net liquid assets at the year-end covered approximately 10 months' total operating costs.

In the 2021/22 financial year the Prison Reform Trust deployed unrestricted reserves to support programmes in the sum of £15,461 (2021: £25,280). This is shown as 'Transfers between funds' in the Statement of Financial Activities, and is further detailed in note 15a.

Principal risks and uncertainties

The Trust's risk register is considered at bi-monthly senior management team meetings and forms part of the director's report to quarterly board meetings. It is also considered periodically by both finance and general purposes sub committees.

The board's structure of quarterly meetings with a finance sub-committee and a general purposes sub-committee working to it has works well, and the process of the board tenure procedures continues.

The finance sub-committee continues to benefit from by the co-option of a specialist member, Neil Yazdani, with specific financial expertise.

Operationally, the political upheavals referred to above have posed significant challenges for an organisation devoted to strategic reform. Our ability to build new relationships quickly has been tested and found to be in good order, bolstered by the quality of evidence and analysis which we are able to provide.

Our ability to attract candidates of quality when posts fall vacant has been shown to be high, with one appointment during the year, (maternity cover). We continue to look for a diverse and talented workforce and encourage applications from those with lived experience of prison.

Reserves policy and going concern

Although the Prison Reform Trust is fortunate in the breadth of its donor base, the trustees believe that in the absence of endowments, and with few guaranteed recurrent grants, the charity should aim to maintain liquid reserves sufficient to cover at least three months' total anticipated expenditure. At least one-third (or one month) should be held as unrestricted, free liquid reserves. Notwithstanding the present difficult economic environment, the charity has developed a strategy to enable it to meet this objective.

Free reserves, which are unrestricted funds not designated or held as fixed assets, total £367,669 (2021: £339,677) for the financial year (approximately 2.5 months total expenditure on 2022 results). Restricted funds total £987,373 (2021: £567,783), 7.5 months total expenditure. Together, amounting to £1,355,042, 10 months expenditure, (2021: £907,460, 7.3 months).

Designated funds consist of cash of £97,179 (2021: £261,451) which will be spent over the next financial year, (on extensions of posts created as a result of the designated funding), and a lease with a value of £78,100.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees and the management team have reviewed all expected income and expenditure projections and have concluded that, together with the reserves, there is a reasonable expectation that the Prison Reform Trust has adequate resources to continue in operational existence for the foreseeable future. The Prison Reform Trust, therefore, continues to adopt the going concern basis in preparing its financial statements.

Fundraising

The Prison Reform Trust has the benefit of a part-time development manager, who is a member of the Institute of Fundraising. This role is generously funded and supported by The Alchemy Foundation. The Prison Reform Trust is registered with the Fundraising Regulator and the Information Commissioner's Office.

The majority of our funding across restricted and unrestricted areas comes from grants awarded upon application, from charitable trusts and foundations.

We also receive money from individual donors, corporations, legacies, and members of our Friends scheme, (subscriptions).

We do not use direct marketing, telemarketing, street collections, sponsorships or any other form of fundraising, other than that stated above. The Prison Reform Trust complies fully with fundraising regulations and codes and has not received any complaints with regards to its fundraising activities. The Prison Reform Trust considers if people may be vulnerable or be in vulnerable circumstances—if we have reasonable grounds for believing that a potential donor lacks the capacity to make a decision to support us, then a donation will not be taken. If a donation has already been made, and at the time of donating the individual lacked capacity (and we receive evidence of this) then we will return that donation.

We do not use professional fundraisers or commercial participators, or any third parties.

Statement of responsibilities of the trustees

The trustees (who are also directors of Prison Reform Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 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 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 charitable company 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 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 auditor is unaware.
- 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 15 (2021: 14). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 22 September 2022 and signed on their behalf by

James Timpson OBE
Chair

Opinion

We have audited the financial statements of Prison Reform Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 Prison Reform Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 the audit:

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

Independent auditor's report

To the members of

Prison Reform Trust

- 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

Prison Reform Trust

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditor's report and for no other purpose.

Independent auditor's report

To the members of

Prison Reform Trust

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.

Judith Miller (Senior statutory auditor)

28 October 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Prison Reform Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Grants, donations and legacies	2	473,779	–	473,779	390,460	–	390,460
Charitable activities	3						
1 Reducing unnecessary imprisonment		–	518,793	518,793	–	532,291	532,291
2 Improving treatment & conditions for prisoners and their families		–	314,993	314,993	–	224,993	224,993
3 Promoting equality and human rights in the justice system		–	435,350	435,350	–	114,800	114,800
4 Informing the public, Parliament and policy development		–	105,400	105,400	–	78,993	78,993
Other trading activities		56,101	2,154	58,255	151,233	–	151,233
Interest		189	–	189	421	–	421
Total income		530,069	1,376,690	1,906,759	542,114	951,077	1,493,191
Expenditure on:							
Raising funds		30,000	–	30,000	30,000	–	30,000
Charitable activities							
1 Reducing unnecessary imprisonment		305,974	401,199	707,173	333,195	370,212	703,407
2 Improving treatment & conditions for prisoners and their families		193,576	314,574	508,150	210,797	232,505	443,302
3 Promoting equality and human rights in the justice system		43,711	149,448	193,159	47,599	64,627	112,226
4 Informing the public, Parliament and policy development		81,177	107,340	188,517	88,398	100,052	188,450
Total expenditure	4	654,438	972,561	1,626,999	709,989	767,396	1,477,385
Net income / (expenditure) for the year	5	(124,369)	404,129	279,760	(167,875)	183,681	15,806
Transfers between funds	15	(15,461)	15,461	–	(25,280)	25,280	–
Net movement in funds		(139,830)	419,590	279,760	(193,155)	208,961	15,806
Reconciliation of funds:							
Funds brought forward		682,778	567,783	1,250,651	875,933	358,822	1,234,755
Total funds carried forward		542,948	987,373	1,530,321	682,778	567,783	1,250,561

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Prison Reform Trust

Balance sheet

Company no. 2906362

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	10		78,100		81,650
Current assets:					
Debtors	11	62,333		31,747	
Cash at bank and in hand		1,446,117		1,177,935	
		<u>1,508,450</u>		<u>1,209,682</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(56,229)		(40,771)	
Net current assets			<u>1,452,221</u>		<u>1,168,911</u>
Total net assets			<u><u>1,530,321</u></u>		<u><u>1,250,561</u></u>
The funds of the charity:	15				
Restricted income funds			987,373		567,783
Unrestricted income funds		367,669		339,677	
Designated funds (Northmoor Trust)		97,179		261,451	
Designated funds (lease)		<u>78,100</u>		<u>81,650</u>	
Total unrestricted funds:			<u>542,948</u>		<u>682,778</u>
Total charity funds			<u><u>1,530,321</u></u>		<u><u>1,250,561</u></u>

Approved by the trustees on 22 September 2022 and signed on their behalf by

James Timpson OBE
Chair

Statement of cash flows

For the year ended 31 March 2022

Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	279,760	15,806
Depreciation charges	10,077	13,584
Interest income	(189)	(421)
Increase in debtors	(30,586)	57,791
Increase in creditors	15,458	24,485
Net cash from/(used in) operating activities	<u>274,520</u>	<u>111,245</u>

	2022 £	£	2021 £	£
Net cash from/(used in) operating activities		274,520		111,245
Cash flows from investing activities:				
Interest income	189		421	
Purchase of fixed assets	<u>(6,527)</u>		<u>(10,034)</u>	
Net cash used in investing activities		<u>(6,338)</u>		<u>(9,613)</u>
Change in cash and cash equivalents in the year		268,182		101,632
Cash and cash equivalents at the beginning of the year		<u>1,177,935</u>		<u>1,076,303</u>
Cash and cash equivalents at the end of the year		<u>1,446,117</u>		<u>1,177,935</u>

1 Accounting policies

a) Statutory information

Prison Reform Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 15 Northburgh Street, London, EC1V 0JR.

b) Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The impact of the Covid-19 pandemic has been considered. There are no post-balance sheet events that require adjustments in the accounts or disclosure in the notes to the accounts. The lease asset has not been impaired and no borrowings are held. Income, largely through grants, has yet to be materially affected. Office premises were open throughout the financial year, the government staff retention scheme was not accessed. There is no current assessment that staff contracts will be affected, other than in the normal course of events, in the period to September 2023. The majority of staff are subject to one-month notice periods, with three subject to three-month notice periods.

e) Income

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

Income from grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

f) Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

j) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs, and
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Reducing unnecessary imprisonment	43%
• Improving treatment & conditions for prisoners & their families	28%
• Promoting equality & human rights in the justice system	6%
• Informing the public, parliament in the justice system	12%
• Support costs	5%
• Governance costs	6%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Reducing unnecessary imprisonment	49%
• Improving treatment & conditions for prisoners & their	31%
• Promoting equality & human rights in the justice system	7%
• Informing the public, parliament in the justice system	13%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Service charges are charged quarterly over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold property	2%
• Computer equipment	100%
• Fixtures & fittings	25%

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably 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 normally recognised at their settlement amount after allowing for any trade discounts due.

1 Accounting policies (continued)

q) Pensions

The Prison Reform Trust contributes towards employees' personal pension plans with costs being charged to the Statement of Financial Activities as they fall due. The Prison Reform Trust contributes to staff pensions at the rate of 7% on gross salaries. Pensions can be taken out by all staff on all contracts.

2 Income from charitable activities (unrestricted)

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Grants (see below for list of funders)	257,000	–	257,000	274,192	–	274,192
Gifts & donations	146,671	–	146,671	111,268	–	111,268
Legacies	70,108	–	70,108	5,000	–	5,000
Other	56,290	–	56,290	151,654	–	151,654
	<u>530,069</u>	<u>–</u>	<u>530,069</u>	<u>542,114</u>	<u>–</u>	<u>542,114</u>
Unrestricted charitable activity–Grants						
Esmée Fairbairn Foundation	60,000	–	60,000	50,000	–	50,000
Hadley Trust	70,000	–	70,000	50,000	–	50,000
J Leon Charitable Fund	–	–	–	25,000	–	25,000
Alchemy Foundation	30,000	–	30,000	30,000	–	30,000
AB Charitable Trust	40,000	–	40,000	40,000	–	40,000
Other	57,000	–	57,000	79,192	–	79,192
Total unrestricted income from charitable activities	<u>257,000</u>	<u>–</u>	<u>257,000</u>	<u>274,192</u>	<u>–</u>	<u>274,192</u>

Legacies derived from the estates of: Margaret Bryer (£2,000); Janet Trevelyan (£1,000); Jill Stephenson (£24,637); Hans Toch (£35,804) & Averil Stedeford (£6,667).

The value of services provided by advisors and volunteers is not incorporated into these financial statements. Acknowledgement of their contribution can be found in the Report of the Trustees.

3 Income from charitable activities (restricted)

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Reducing unnecessary imprisonment						
Big Lottery	–	–	–	–	27,416	27,416
National Lottery	–	518,793	518,793	–	504,875	504,875
Sub-total for reducing unnecessary imprisonment	<u>–</u>	<u>518,793</u>	<u>518,793</u>	<u>–</u>	<u>532,291</u>	<u>532,291</u>
Improving treatment and conditions for prisoners and their families						
Hadley Trust	–	130,000	130,000	–	150,000	150,000
Porticus UK Foundation	–	84,993	84,993	–	49,993	49,993
Goldsmiths' Company	–	30,000	30,000	–	–	–
Blagrove Trust	–	30,000	30,000	–	–	–
Rank Foundation	–	10,000	10,000	–	–	–
Lankelly Chase Foundation	–	30,000	30,000	–	–	–
AB Charitable Trust	–	–	–	–	25,000	25,000
Sub-total for improving treatment & conditions for prisoners & their families	<u>–</u>	<u>314,993</u>	<u>314,993</u>	<u>–</u>	<u>224,993</u>	<u>224,993</u>

3 Income from charitable activities (restricted) continued

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Promoting equality & human rights in the justice system						
The Open Society Foundation	-	435,350	435,350	-	114,800	114,800
Other	-	2,154	2,154	-	-	-
Sub-total for promoting equality & human rights in the justice system	-	437,504	437,504	-	114,800	114,800
Informing the public, Parliament & policy development						
The Bromley Trust	-	40,000	40,000	-	30,000	30,000
Rank Foundation	-	-	-	-	-	-
Persula Foundation	-	20,000	20,000	-	-	-
Barrow Cadbury Trust	-	45,400	45,400	-	19,000	19,000
Porticus UK Foundation	-	-	-	-	29,993	29,993
Other	-	-	-	-	-	-
Sub-total for informing the public, Parliament & policy development	-	105,400	105,400	-	78,993	78,993
Total restricted income from charitable activities	-	1,376,690	1,376,690	-	951,077	951,077

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2022

4a Analysis of expenditure (current year)

	Charitable activities								
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 6)	19,241	259,036	240,249	38,349	71,174	–	497,833	1,125,882	1,119,654
Travel, training & subsistence	–	10,603	12,412	2,186	58	140	7,149	32,548	6,603
Research & consultancy fees	–	26,552	19,751	63,581	850	–	46,888	157,622	100,199
Events, legal & professional fees	–	–	658	23,686	–	–	688	25,032	–
Office & premises	–	–	–	–	–	–	3,287	3,287	21,534
Finance, audit & insurance	–	–	–	–	–	892	18,160	19,052	17,378
Printing & publications	–	4,069	10,220	630	11,853	–	2,236	29,008	45,300
Beneficiary engagement	–	1,256	8,430	–	–	–	60	9,746	10,029
Administration & support	–	95,581	5,000	6,034	2,760	–	(109,375)	–	–
Depreciation	–	–	–	–	–	–	10,077	10,077	13,584
Other costs	10,759	4,102	17,854	14,982	20,645	445	145,958	214,745	143,104
	30,000	401,199	314,574	149,448	107,340	1,477	622,961	1,626,999	1,477,385
Support costs	–	305,250	193,118	43,608	80,985	–	(622,961)	–	–
Governance costs	–	724	458	103	192	(1,477)	–	–	–
Total expenditure 2022	30,000	707,173	508,150	193,159	188,517	–	–	1,626,999	
Total expenditure 2021	30,000	703,407	443,302	112,226	188,450	–	–		1,477,385

4b Analysis of expenditure (prior year)

	Charitable activities							
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 6)	27,787	244,381	162,492	24,207	86,026	–	574,761	1,119,654
Travel, training & subsistence	–	1,065	1,183	2,372	–	–	1,983	6,603
Research & consultancy fees	–	20,151	22,685	27,314	5,775	–	24,274	100,199
Events, legal & professional fees	–	–	–	–	–	–	–	–
Office & premises	–	–	–	–	–	–	21,534	21,534
Finance, audit & insurance	–	–	–	–	–	886	16,492	17,378
Printing & publications	–	3,639	21,769	3,085	4,861	–	11,946	45,300
Beneficiary engagement	–	108	4,620	–	–	–	5,301	10,029
Administration & support	–	93,563	5,000	3,115	2,640	–	(104,318)	–
Depreciation	–	–	–	–	–	–	13,584	13,584
Other costs	2,213	7,305	14,756	4,534	750	–	113,546	143,104
	30,000	370,212	232,505	64,627	100,052	886	679,103	1,477,385
Support costs	–	332,761	210,522	47,537	88,283	–	(679,103)	–
Governance costs	–	434	275	62	115	(886)	–	–
Total expenditure 2021	30,000	703,407	443,302	112,226	188,450	–	–	1,477,385

Notes to the financial statements

For the year ended 31 March 2022

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	10,077	13,584
Auditor's remuneration (including VAT):		
Audit	9,840	9,360
Under accrual from prior year	–	–
Trustee's indemnity insurance	892	886
	<u>892</u>	<u>886</u>

There were no fees for non-audit services.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	959,844	953,284
Social security costs	98,288	99,817
Employer's contribution to defined contribution pension schemes	53,918	53,434
Employer's contribution to personal pension schemes	13,832	13,119
	<u>1,125,882</u>	<u>1,119,654</u>

The following number of employees received employee benefits (excluding employer pension costs and national insurance) during the year between:

	2022 No.	2021 No.
£90,000 – £99,999	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and national insurance) of the key management personnel were £98,797 (2021: £96,862).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £140 (2021: £nil) incurred by 1 (2021: 0) member relating to attendance at meetings of the trustees. Training expenses were £nil (2021: £nil). Hospitality and refreshments totalled £445, and insurance £892.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 26 (2021: 26).

Staff deployment

	2022 Approx. head count	2021 Approx. head count
Reducing unnecessary imprisonment	4.5	5.5
Improving treatment & conditions for prisoners & their families	10	9.5
Promoting equality & human rights in the justice system	1.5	1
Informing the public, parliament in the justice system	5	5.5
Support	5	4.5
	<u>26</u>	<u>26</u>

Notes to the financial statements

For the year ended 31 March 2022

8 Related party transactions

One grant was received from 29 May Charitable Trustee for whom a PRT trustee, Elizabeth Rantzen, is also a trustee (2021: none).

Aggregate donations from related parties were £2,200, reimbursement from the Chair, James Timpson, for staff and volunteer Christmas meal (2021: £nil).

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At the start of the year	177,500	44,476	88,797	310,773
Additions in year	–	–	6,527	6,527
At the end of the year	177,500	44,476	95,324	317,300
Depreciation				
At the start of the year	95,850	44,476	88,797	229,123
Charge for the year	3,550	–	6,527	10,077
At the end of the year	99,400	44,476	95,324	239,200
Net book value				
At the end of the year	78,100	–	–	78,100
At the start of the year	81,650	–	–	81,650

All of the above assets are used for charitable purposes.

11 Debtors

	2022 £	2021 £
Other debtors	33,257	12,495
Prepayments	18,376	12,605
Accrued income	10,700	6,647
	62,333	31,747

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	14,744	32,225
Taxation, social security, pensions	261	811
Other creditors	–	1,022
Charge card	4,264	473
Accruals & deferred income (note 13)	36,960	6,240
	56,229	40,771

13 Deferred income

Deferred income comprises the annual payment of a grant from Goldsmiths, paid in March 2022 to be used over the course of the financial year commencing April 2022.

	2022 £	2021 £
Balance at the beginning of the year	–	–
Amount released to income in the year	–	–
Amount deferred in the year	30,000	–
Balance at the end of the year	<u>30,000</u>	<u>–</u>

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	78,100	–	78,100
Net current assets	367,669	97,179	987,373	1,452,221
Net assets at the end of the year	<u>367,669</u>	<u>175,279</u>	<u>987,373</u>	<u>1,530,321</u>

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	81,650	–	81,650
Net current assets	339,677	261,451	567,783	1,168,911
Net assets at the end of the year	<u>339,677</u>	<u>343,101</u>	<u>567,783</u>	<u>1,250,561</u>

Notes to the financial statements

For the year ended 31 March 2022

15a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	375,300	518,793	401,199	–	492,894
Improving treatment & conditions for prisoners & their families					
Advice & information service	41,529	130,000	184,948	13,419	–
Prisoner engagement	18,534	174,993	119,626	–	73,901
Active citizens–improving regimes	–	–	–	–	–
Writing competition	–	–	–	–	–
Independent Commission	–	10,000	10,000	–	–
Promoting equality & human rights in the justice system					
Disability in prison–global	113,750	437,504	149,448	–	401,806
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	4,904	22,700	18,594	–	9,010
Bromley Briefings Prison Factfile	13,493	40,000	55,535	2,042	–
Communications & policy	273	42,700	33,211	–	9,762
Total restricted funds	567,783	1,376,690	972,561	15,461	987,373
Unrestricted funds:					
Designated funds:					
Fixed asset fund	81,650	–	3,550	–	78,100
Northmoor Trust	261,451	–	164,272	–	97,179
Total designated funds	343,101	–	167,822	–	175,279
Unrestricted income fund	339,677	530,069	486,616	(15,461)	367,669
Total unrestricted funds	682,778	–	654,438	(15,461)	542,948
Total funds	1,250,561	1,906,759	1,626,999	–	1,530,321

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2022

15b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
BIG Lottery-Reducing Women's Imprisonment	16,100	27,416	64,421	20,905	-
National Lottery-Building Futures	176,216	504,875	305,791	-	375,300
Improving treatment & conditions for prisoners & their families					
Advice & information service	48,172	150,000	156,643	-	41,529
Prisoner engagement	13,473	49,993	44,932	-	18,534
Active citizens-improving regimes	1,555	-	1,555	-	-
Writing competition	-	-	4,375	4,375	-
Independent Commission	-	25,000	25,000	-	-
Promoting equality & human rights in the justice system					
Disability in prison-global	63,577	114,800	64,627	-	113,750
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	4,049	19,000	18,145	-	4,904
Bromley Briefings Prison Factfile	354	30,000	16,861	-	13,493
Communications & policy	23,243	29,993	52,963	-	273
Director salary	12,083	-	12,083	-	-
Total restricted funds	358,822	951,077	767,396	25,280	567,783
Unrestricted funds:					
Designated funds:					
Fixed asset fund	85,200	-	3,550	-	81,650
Northmoor Trust	385,674	-	124,223	-	261,451
Total designated funds	470,874	-	127,773	-	343,101
Unrestricted income fund	405,059	542,114	582,216	(25,280)	339,677
Total unrestricted funds	875,933	542,114	709,989	(25,280)	682,778
Total funds	1,234,755	1,493,191	1,477,385	-	1,250,561

Purposes of restricted funds

In the financial year ended 31 March 2022, the Prison Reform Trust operated the following programmes through restricted funding:

Reducing unnecessary imprisonment

Building Futures: Funded by the National Lottery, this is a five-year programme focusing on long-term imprisonment in the UK.

15 Movement in funds (continued)

Improving treatment & conditions for prisoners and their families

Advice & Information Service: Funded by the Hadley Trust, the Prison Reform Trust's advice and information service responds to thousands of queries a year from prisoners, their friends and families, and from people working with prisoners.

Prisoner engagement: Funded by Porticus UK, Blagrove Trust, the Goldsmiths' Company and Lankelly Chase, the prisoner engagement programme involves and seeks views from those affected by the criminal justice system.

Independent Commission: This work is supported by the Prison Reform Trust. It is looking at how prison sentences work for the most serious of crimes, and the experience of victims and prisoners. Some funding has been provided by the Rank Foundation.

Promoting equality & human rights in the justice system

Disability in prisons, global: This work is funded by the Open Society Foundation. This foundation gave funding in this financial year to expend over the next three financial years.

Informing the public, Parliament & policy development

All Party Parliamentary Penal Group: The Prison Reform Trust is funded by the Barrow Cadbury Trust to organise and provide the secretariat to meetings.

Bromley Briefings Prison Factfile: The Bromley Trust funds towards the bi-annual compilation, publication and dissemination of Prison: the Facts.

Communications & policy: The Persula Foundation supports the communication and policy function.

Transfers

The reason for transfers at the Prison Reform Trust is to apply cash from unrestricted funds to finance a deficit on restricted funds. The total amount transferred from unrestricted funds to finance deficits in restricted programmes totals £15,461 for the financial year (2021: £25,280).

Purposes of designated funds

Designated funds consist of: a single fixed asset fund, representing the lease at 15 Northburgh Street. There remains 22 years at the current rate of amortisation, and

A designated fund established in the 2018/19 financial year from monies donated by the Northmoor Trust. These designated funds will be expended according to the agreement reached by trustees, see the trustees report for more details.

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 2906362

Charity number: 1035525

Prison Reform Trust

Report and financial statements

For the year ended 31 March 2021

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Reference and administrative information

For the year ended 31 March 2021

Company number 2906362

Charity number 1035525

Registered office
and operational
address 15 Northburgh Street
LONDON
EC1V 0JR

Country of
Registration England & Wales

Country of
incorporation United Kingdom

Trustees The Right Honourable the Lord Hurd of Westwell CH, CBE: President

The Right Honourable the Lord Woolf of Barnes CH: Honorary President

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Muhammed Maqsood Ahmed, OBE: (Member of Staffing & General Purposes Sub-Committee)

The Right Honourable the Lord Keith Bradley PC: (Vice Chair)

Mifta Choudhury: (Member of Staffing & General Purposes Sub-Committee)

Professor Dr Benjamin Crewe

Geoff Dobson OBE: (Member of Finance & Fundraising Sub-Committee)

The Right Honourable the Lord Edward Garnier QC

Dr Ann Hagell

Julia Killick CBE: (Chair of Staffing & General Purposes Sub-Committee)

Michelle Nelson QC

Nigel Newcomen CBE: (Member of Staffing & General Purposes Sub-Committee)

Elizabeth Rantzen: (Treasurer/Chair of Finance & Fundraising Sub-Committee)

Prison Reform Trust

Reference and administrative information

For the year ended 31 March 2021

Dale Simon CBE

Osmond Junior Smart OBE

James Timpson, OBE: (Chair/Member of Finance & Fundraising Sub-Committee)

Key management Peter Dawson Director

Bankers Lloyds Bank plc
30-34 Moorgate
LONDON
EC2R 6DN

Solicitors Bates Wells & Braithwaite
Cheapside House
138 Cheapside
LONDON
EC2V 6BB

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of the charity are; for the public benefit to further and promote improvements in the penal system in the United Kingdom and the prevention of crime. This report provides an explanation of how the Prison Reform Trust's significant activities fulfil the aims of the charity for the public benefit.

The strategies employed to achieve the charity's objectives, and so create a just, humane and effective penal system, are to inquire into the workings of the system; inform prisoners, staff and the wider public; and influence Parliament, Government and officials towards reform. To do this the Prison Reform Trust combines public education and work through the media with applied research, advocating for change, advice and information and parliamentary work, including provision of the secretariat to the All-Party Parliamentary Penal Affairs Group. Its four major programmes of work during this period were: reducing unnecessary imprisonment; improving treatment and conditions for prisoners and their families; promoting equality and human rights in the justice system; and informing the public, Parliament and policy development.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our purpose

To create a just, humane and effective penal system.

Our vision

We will influence decision makers, opinion formers and the public to:

Reduce the use of prison. That is about who goes to prison and for how long, and means:

- only the most serious crime should result in a sentence of imprisonment
- prison sentences should not be so long that they destroy hope and should always make full and constructive use of time inside

Improve conditions for prisoners, which requires:

- a framework of rights for prisoners as citizens
- a safe, decent, fair and purposeful way of life in prison
- the opportunity for prisoners to make amends to those they have harmed; and to take responsibility for creating a better future for themselves
- a prison estate that is not overcrowded; and allows a prisoner to remain a member of the community to which they will return

Promote equality and human rights in the criminal justice system, by:

- tackling discrimination
- protecting and improving the statutory framework for those rights

How we work

All the work we do is underpinned by the following core principles:

- Listening to and providing a voice for prisoners and their families; and promoting their role in making change happen
- Organisational credibility, built on sound governance and finance, and exceptional colleagues with experience from multiple perspectives, knowledge and integrity
- Knowing the limits of our strengths and expertise; and working closely with partners to have a bigger impact overall
- Not accepting money directly from central government, to preserve our freedom to say whatever needs to be said

- Influencing policy makers by gathering, analysing and publishing the facts; promoting good practice and celebrating success; understanding the realities but seeing the possibilities
- Principled opportunism: seizing the chance to make progress when it's there
- Retaining a memory for what has happened in the past; and drawing out the learning from it

Our work in furtherance of our vision is organised under four broad challenges for the period of our 5-year strategic plan (2018–23):

- Reducing unnecessary imprisonment: Change who goes to prison and for how long
- Improving treatment and conditions for prisoners and their families: Improve life in prison
- Promoting equality and human rights in the justice system
- Informing the public, Parliament and policy development; Get the facts about prisons and prisoners better known

In 2020/21 we made progress under each of these challenges.

Reducing unnecessary imprisonment; Change who goes to prison and for how long

The prison population has fallen dramatically during the year, from around 83,000 to just under 78,000. This has been caused almost entirely by the interruption to court activity. Neither the promised increase in Home Detention Curfew (HDC) nor early conditional release have made any significant impact, despite being part of the government's advertised strategy to reduce the risks posed by Covid. The Ministry of Justice (MoJ's) projections are for a prison population of nearly 100,000 by 2026, and its planning is dominated by the proposed creation of an additional 18,000 prison places. The impact of the pandemic has not all been helpful in terms of reducing prison numbers, either. The remand population has grown, and custody time limits have been extended. Recalls are now firmly established as one of the main drivers of population growth, with around 10,000 people now in prison for that reason.

Our main achievements under this heading were:

- Despite the very significant impediment of not being able to visit prisons for most of the year, to establish the Building Futures programme, including:
 - The inaugural meeting of an exceptionally strong and supportive Advisory Board.
 - A significant role in project CAPPTIVE, (The Covid Action Prison Project Tracking Innovation, Valuing Experience). Its involvement in the project design and contribution to the analysis/ write up of the first two publications has helped to chart important programme priorities going forward, mainly linking to progression. CAPPTIVE has also helped with identifying valuable members for *Building Futures Prisoner Network* (BFPN), a distinct subsidiary of the Prisoner Policy Network (PPN).
 - Work on a comprehensive baseline snapshot against the programme's core outcomes and a detailed factsheet about of the Building Futures (long term) cohort, both of which are nearing completion. A large part of this data is not in the public domain, and this has resulted in a prolonged but productive process of sourcing.
 - An extensive and systematic review of relevant academic literature and policy documents relating to long term imprisonment. We have been able to identify key themes and areas of interest, while identifying gaps in research that require further exploration. This has provided us (and other stakeholders) with valuable insights for the programme design and direction that will contribute towards influencing change and capturing prisoner voices. This process also provided us with the opportunity to connect with the leading academics in this field.
 - The appointment of an evaluation partner, to incorporate "outcome harvesting" techniques, and establishing relationships with some key prisons.
 - The BF and PPN teams have collaborated to gain the views of long term prisoners and family members about the significance of family contact and relationships, which will lead to one of the programme's first briefings, and on the experience of women serving very long sentences, which will feed into a proposed project within the programme entitled "Invisible Women".

In addition:

- To prepare a comprehensive and detailed response to the White Paper "A Smarter Approach to Sentencing" in the autumn of 2020, and to hold meetings with the Opposition front bench to discuss the expected bill to implement the paper's draconian sentencing proposals, and to liaise with other organisations in the sector concerned to reduce the imprisonment of children
- To prepare a brief submission to the consultation on the 2020 Spending Review
- To complete, publish and launch a major research report on the experience of recalled IPP prisoners – "No life, no freedom, no future" in December 2020, with a successful webinar, a presentation to the Parole Board and a meeting with the Lord Chancellor, which in turn has prompted a resumption of regular meetings with relevant officials
- To respond to the first consultation under the "Root and Branch" parole review due to report in the summer of 2021

- To produce a briefing with local area data on imprisonment rates for women, and to liaise closely with London and West Midlands police and other agencies to promote a whole systems approach as supported by the government's female offender strategy
- To respond to Sentencing Council consultations on mental health, drugs, firearms offences, modern slavery, and terrorism
- To support detailed opposition amendments on the Counter-Terrorism Bill
- Until November 2020, to support detailed amendments to the Domestic Abuse Bill, designed to reduce the imprisonment of women whose offending has been prompted by abuse
- In partnership with the Howard League, to help secure through threat of judicial review an early conditional compassionate release scheme in response to the predicted impact of Covid in prisons, although the scheme eventually delivered by MoJ as a consequence fell dramatically short of what was needed and the expectations ministers created.

We were not able to make progress as predicted in partnership with NACRO on promoting diversion from the criminal justice system. We have established a close working relationship with NACRO, however, including joint public letters, and they have resumed a more proactive advocacy role on both diversion and resettlement policy issues. Like them, we have liaised closely with officials responsible for the government's reducing reoffending agenda, and there have been positive developments both in additional one-year funding for accommodation, employment, and substance misuse support, and in some sections of the White Paper. The development of the new probation model has been less positive, with voluntary sector organisations dismayed by a repeat of the burdensome procurement arrangements heavily criticised during the Transforming Rehabilitation programme, leading to the probable exclusion of many smaller organisations in the delivery of services.

Improving treatment and conditions for prisoners and their families; Improve life in prison

Covid has caused a very extreme deterioration in prison conditions. Almost all prisoners have spent almost all year in conditions amounting to solitary confinement. We discuss the impact of Project CAPPTIVE, but we have sought to maintain work in other areas too.

Our main achievements have been:

- In relation to Prisoner Engagement and the Prisoner Policy Network (PPN):
 - Three CAPPTIVE reports have been published and a fourth is now in production
 - In partnership with Southampton University, we have delivered prisoner feedback on the Covid test programme that has been used to help inform the approach to vaccination in prisons
 - We provided PPN input for a University of Nottingham report on Distress in prison during the pandemic
 - PPN team have presented CAPPTIVE lessons at HMPPS Service User Advisory Group team (x2) and at the Criminal Justice Alliance (CJA) members meeting, and CAPPTIVE reports have been specifically welcomed by the Prisons Minister, the officials leading work within

Trustees' annual report

For the year ended 31 March 2021

HMPPS to “build back better” after the pandemic, and the officials leading policy on safety in prisons, where several PRT colleagues participate in a regular roundtable.

- The second CAPTIVE report received national coverage in the Guardian.
 - Broadcasting four more episodes of the Secret Life of Prisons, with funding secured for National Prison Radio to make four more
-
- Holding the annual writing competition.
 - To continue supporting the work of the Independent Commission into the Experience of Victims and Long-Term Prisoners chaired by Bishop James Jones. The commission has taken evidence from experts, victims of serious crime and long-term prisoners who have been released and has recently held a face-to-face evidence session with serving prisoners. It has also received written submissions and is due to report in the late summer of this year. We have organised oral contributions from both former long sentenced prisoners and family members.
 - To collaborate with the Centre for Social Justice on their report on ICT in prisons, and throughout the pandemic pressed the case for a more rapid rollout of technology within prisons. This has borne fruit in the availability of in-cell telephony and the nationwide provision of video calls. We are delighted to have finally secured modest funding for our own plan to publish a report on how the remaining obstacles to the controlled availability of the internet in prisons can be overcome.
 - To maintain and develop our advice and information service in response to the pandemic. This has been an immensely challenging year for the service, but its achievements include:
 - Adapting to conditions under the pandemic – we believe we adapted well during the pandemic despite the limitations and were still able to deliver a responsive and valuable service. Some of the changes we made are likely to continue to be part of our service regardless of the restrictions, such as having an active voicemail service and using Email a Prisoner.
 - Input into policy work –the Advice and Information service has played a crucial role in our policy response during the pandemic, particularly in the early stages, providing regular updates of key themes and quotes to inform our advocacy work. For example, our weekly submissions to the Justice Select Committee were heavily informed by the things we were hearing from people in prison and their families. The Advice and Information service also provided a key evidence stream for our CAPTIVE project.
 - Developing our use of the new database – following the introduction of our new database at the beginning of 2020 we have been developing our recording and reporting practices to maximise service efficiency and to produce the most useful data, both from a service management but also a policy perspective. This has been a real asset to the A&I team, and other teams will be joining this system, which in due course will allow us to compile data across our prisoner and family communications.
 - Creating an information sheet about how PRT works to try to help us communicate with people about our advocacy work

- Successfully keeping abreast of development and implementation of new Categorisation Policy Framework as well as other policy changes such as those affecting suspension of licence conditions for ISPs and changes to risk assessments for people convicted of sexual offences. As well as responding to individuals directly, we used our column in Inside Time to keep people as up to date as possible on national policy changes and worked hard to get as much information as we could from HMPPS sources to share with people.

In addition, we have contributed to an HMCIP review of their expectations for prisons holding women.

On a weekly basis throughout the pandemic, we have acted as the sponsor of a special interest group formed by Clinks to liaise with HMPPs on immediate operational issues arising from the pandemic. Over the year, this has helped to produce a much fuller and prompter flow of information, and also given us the opportunity to contribute to the design of the “Exceptional Delivery Models” which have determined what regimes have been like. We have established direct lines of communication to Gold command in HMPPS to pass on concerns and suggested improvements.

In the course of the year, we have written a series of detailed joint letters with the Howard League to the Lord Chancellor and received detailed responses which we have published in a regularly updated website section dedicated to the pandemic. For the first two months of the pandemic, we submitted weekly updates for the Justice Select Committee on the information we were receiving and our concerns about the department's response.

The pressure on our own resources but more especially on HMPPS has meant that other objectives in this section have not been met. In particular:

- We have not taken forward the proposed project with PACT to encourage MPs to visit prisons with family members of prisoners. Visits have not been operating for most of the year. We remain a member of a programme funded by Porticus (The Positive Pathways for Prisoners programme) which runs for three years initially and has a particular focus on family relationships and employment. Ensuring that the many recommendations from two reports by Lord Framer (the second specifically concerning women) are not overlooked will be a central theme of that programme.
- ROTL (release on temporary licence) has all but ceased across the country, so we have not been in a position to monitor the new ROTL policy framework
- Work to deliver the joint data pool with PACT has been stalled by the pressure on both our advice services
- We have not been able to progress the proposed project on prison officer recruitment and training because of pressure on HMPPS colleagues. However, we have played an increasingly significant role in training and development of people recruited to the Unlocked Graduates scheme, with many of our publications, including user insight reports, now part of the

standard reading, and with several members of the team regularly taking part in training and development events.

Promoting equality and human rights in the justice system

As we predicted, the pandemic has brought active citizens workshops to a temporary halt. We also decided not to go ahead with an annual meeting of the Care not Custody coalition. In the absence of any research applications being considered by HMPPS, we also shelved the idea of a repeat of "Punishing Disadvantage" and intend to rethink whether this is a project worth pursuing for the foreseeable future. The need for a published plan for the future of the youth estate remains unmet, although the government has finally committed to a date for the opening of the first secure school. The number of children in custody has fallen during the pandemic, but the proportion of children from minority communities, and on remand have both increased.

The death of George Floyd in the spring of 2020 and the reaction to it, together with the apparent disproportionate impact of Covid-19 on minority communities have both focused more of our attention on race in particular over the last 12 months. We remain concerned that both the government as a whole and HMPPS have let race and the implementation of the Lammy report slip down the list of priorities, to put it at its most generous. The willingness to acknowledge that policies will have a discriminatory impact but proceed regardless suggests that the situation may be worse than that, and for prisons the short and long term prospect is of a prisoner population where disproportionality in its composition becomes more not less pronounced as a consequence of policies being pursued on sentencing in particular.

Our achievements under this heading have been:

- Persistent challenge to the unannounced and unjustified rollout of PAVA spray to all adult male prisons in April 2020. We gave expert evidence to renewed judicial review proceedings supported by the EHRC, which resulted in public undertakings from the prison service about the implementation of the rollout. We are now in close co-operation with the Inspectorate, Ombudsman, IMB chair and IAP chair to hold the department to account for delivery of those and other promises made in correspondence over the last two and a half years. There has been some improvement in both the quality and availability of data about PAVA use, specifically in relation to race and disability. Ensuring that the flow of data continues and is improved will be crucial to our work in the future. For the present, there is no prospect of PAVA being withdrawn, but that remains our objective. We have also provided very detailed feedback on a draft policy framework for the use of force generally. Several of our proposals have been incorporated, but the publication of the framework has been delayed for undisclosed reasons.
- Active membership of the External Advice and Scrutiny Panel which monitors HMPPS implementation of Lammy recommendations. The EASP has played a key role in the PAVA work.
- An undertaking in the White Paper published in September 2021 to end the use of prison as a place of safety – a key recommendation of the Wessely review of Mental Health legislation. Frustratingly, the government has put no timescale on implementation.

- The White Paper also gives a welcome boost to the rollout of Community Sentence Treatment Requirement funding, though not as yet sufficient to provide national availability.

In addition to anticipated objectives, we have:

- Used the 2020 Bromley briefing to focus on race, with a “Long View” written by Beverley Thompson, a former adviser to the HMPPS board on equality issues
- In addition to the growth of the PPN and a substantial increase in the involvement of its members in short term consultations and specific collaborations with universities in particular, helped design and deliver the first ever national leadership programme for leaders with criminal convictions, in collaboration with the Centre for Knowledge Equity and the Clore Social Fellowship Foundation. 3 PRT colleagues obtained places on the programme.
- Worked with HMPPS officials on their development of a (yet to be published) race action plan, and diversity and inclusion strategy, as well as assisting in the development of training materials for improved investigation of discrimination complaints.
- Robustly challenged the circumvention of the Advisory Board on Female Offenders in the recent decision to increase capacity in the female prison estate, and continued to track progress (or the lack of it) on specific undertakings within the female offenders strategy.
- We published Thinking Differently – Employers’ views on hiring people convicted of sexual offences (July 2020).

Informing the public, Parliament and policy development Get the facts about prison and prisoners better known

The pandemic removed at a stroke the most important tools for holding prisons to account for the treatment of prisoners at the precise moment that extraordinary and extreme restrictions were imposed on their daily way of life. Inspection ceased, Independent Monitoring Boards (IMBs) largely did not go into prisons, parliamentary accountability all but disappeared, and press interest was (and remains) utterly dominated by the impact of Covid on the community at large. Slowly, some of those mechanisms re-asserted themselves. We were pleased to help IMBs set up confidential freephone lines for prisoners to speak to them direct. The Inspectorate has instigated an increasingly impressive and assertive programme of short in-person visits. We have re-convened the All-Party Group on Penal Affairs remotely. After a good deal of coverage in the early stages concerning our joint work with the Howard League to secure an emergency early release scheme, national press coverage has been difficult to secure. But we have achieved national coverage for our report on recalled IPP prisoners, and for one CAPPTIVE report, as well as local coverage for our data release on differential rates of imprisonment of women.

Above all, we have delivered project CAPPTIVE, refocusing the work of every part of the PRT team on the task of listening to prisoners and their families about what life has actually been like, and reflecting that experience back to ministers, policy makers, the operational line and, so far as possible, the public.

Our achievements against what we planned have been:

- The publication of the winter edition of the **Bromley Briefings Prison Factfile**
- Agreed access arrangements and receiving the data for historic MQPL surveys from HMPPS
- Re-starting the **All-Party Parliamentary Group on Penal Affairs**, with a very well attended virtual meeting addressed by the minister responsible for sentencing, Chris Philp MP
- Agreeing a brief and sourcing potential partners for the re-design of the PRT website

In addition, we have:

- Hosted our first ever webinar to launch the report on IPP recalls, with around 200 people attending
- Responded to the following consultations:
 - Independent Human Rights Act Review
 - [Education Committee inquiry 'Education: are prisoners being left behind?'](#)
 - [Sentencing Council consultation on the proposed guidelines for modern slavery offences](#)
 - [A Smarter Approach to Sentencing](#) White Paper
 - [HM Inspectorate of Prisons criteria for assessing the treatment of and conditions for women](#)
 - [Law Commission consultation on the Proceeds of Crime Act](#)
 - [Ministry of Justice consultation on victim attendance at Parole Board hearings](#)
 - [Commission on Race and Ethnic Disparities consultation](#)
 - [Strengthening the independent scrutiny bodies through legislation](#)
 - [Comprehensive Spending Review](#)
 - [Sentencing Council assault offences draft guidelines](#)
 - [Sentencing Council: What next for the Sentencing Council?](#)
 - [HMPPS draft Use of Force policy framework](#)
 - [Improving the Victims' Code](#)
 - [Sentencing Council drugs offences draft guidelines](#)

We have also given close attention to the need to communicate about our work with people in prison and their families. In addition to our regular column in Inside Time and The Secret Life of Prisons podcasts, we have contributed Inside Time articles both to launch CAPPTIVE and to report its findings.

Priorities and new work for 2021/22

Prisons are still a very long way from recovery. The depth of the suffering that prisoners are experiencing is becoming clearer, due in significant part to our CAPPTIVE work and a series of hard-hitting reports from the new Chief Inspector of Prisons. It follows that the damage done to people's well-being, but also to their progression within sentences and their prospect of successful resettlement is very extensive and will not be easily repaired. A very unhealthy narrative that reductions in violence during the pandemic might be maintained by regimes which keep prisoners locked up for longer has been dented by the clearer acknowledgement of the harm being done under lockdown, and the operational hierarchy in the prison service seems clear that

such a narrative is both wrong and self-defeating. But the operating context as lockdown eases will include:

- Frustrated, anxious and angry prisoners
- Many staff exhausted, but also lacking in confidence and experience in dealing with prisoners who are not permanently behind their doors. Officer numbers have fallen over the last 12 months, as departures have exceeded new recruits.
- A high likelihood that levels of violence and self-harm will increase
- A high likelihood that levels of overcrowding will increase sharply to previous levels and beyond as courts start to operate normally, working through a backlog of cases.
- The possibility of industrial action in the face of the department's rejection of a recommendation for officer pay from the Pay Review Body

In addition, the government's decision not to prioritise vaccination in prisons will delay the decline in infection rates, and it is already clear that restrictions will ease more slowly in prisons than in the community.

Politically, the passage of the bill to implement the White Paper proposals on more severe sentencing will dominate attention, but the department's energies are also likely to be focused on implementing new probation arrangements and delivering the commitment to 18,000 new prison spaces. There must also be a possibility that levels of reported crime rise as lockdown in the community ceases. The recruitment of an additional 20,000 police staff is likely to lead to growth in prison numbers, but also create pressure on the government if crime appears to be back on the rise regardless.

We expect and have planned for detailed involvement in legislation, and we are closely linked already to the HMPPS team that is considering the longer-term learning from the pandemic. There is much less clarity about planning for the immediate consequences of restrictions being eased.

It follows that PRT will be starting another year where we will need to be prepared to react nimbly to events as well as pursuing longer term objectives. The suggested objectives below seek to strike a balance between those two elements of our work, reflecting the need to deliver on projects for which we have restricted funding and to stay true to our strategic plan, but also to show that we are responding to the immediate crisis, the depth of which may only become apparent in the coming months.

Reducing unnecessary imprisonment: Change who goes to prison and for how long

We will:

- Within the Building Futures Programme:
 - Establish a network of Building Futures Associates in a small number of prisons
 - Grow the current Building Futures Prisoner Network to provide a broader base for consultation and involvement

- Begin, in collaboration with Ben Jarman from the Cambridge Prison Research Centre, a study of the parole process for the BF cohort, with specific attention to the frequency of earliest possible release, and common routes to recall
 - Publish a detailed factsheet reflecting the characteristics of the BF cohort, and provide a baseline for key measures under the programme
 - Seek HMPPS approval for an in-house research project on “alternatives to institutionalisation”, designed to learn from the BF cohort how people draw meaning and hope from within their circumstances, as a driver for policy discussions with the long-term estate
 - Begin work on a briefing to consider the issues for the BF cohort of “ageing inside”, with a particular focus on the transition from young adulthood
 - In collaboration with Marie Hutton of University of Sussex, publish a report drawing on our consultation with prisoners and family members about family relationships during very long sentences
 - In collaboration with Serena Wright, of Royal Holloway, publish a briefing on the distinctive challenges for women serving very long sentences, and as part of this work form an Active Women’s Group within the BF cohort to inform the programme throughout its existence
 - In collaboration with the PPN, consult prisoners on the issue of the mixing of people serving long and short-term sentences, and of young adult prisoners with older prisoners
 - Work with colleagues in the Scottish Prisoner Advocacy and Research Collective (SPARC), based at Glasgow University, to develop prisoner engagement for the programme in Scotland.
-
- Provided detailed briefing and support during the passage of sentencing legislation, with a view to mitigating the most inflationary aspects of the government’s sentencing proposals
 - Specifically, work with the Alliance for Youth Justice and other partners to mitigate the impact of current proposals on the numbers of children incarcerated
 - Support amendments to improve the legislative framework for people still serving the IPP sentence
 - Respond to specific consultations within the root and branch review of parole, and to the findings of the review on completion
 - Publish an update on implementation of the female offender strategy, a briefing to update our “Why Women publication”, and a 2022 update on local data on incarceration rates by police force area
 - Engage with the review of neuro divergence in the CJ system commissioned by the Lord Chancellor

Improving treatment and conditions for prisoners and their families: Improve life in prison

We will:

- Support the work of the Positive Pathways for Prisoners programme (funded by Porticus) through a PPN consultation on family contact
- Use the PPN database to generate snapshots of PPN communications to share internally alongside A and I data to inform PRT's corporate awareness of issues of both immediate and persistent concern
- Subject to funding, provide a discrete PPN focus for young adults (up to the age of 30), and a report reflecting their experience of custody
- Produce a 4th CAPTIVE report bringing together the project's findings, with an emphasis on learning for recovery
- Collaborate in the production of further "Secret Life of Prisons" podcasts
- Continue to run the writing competition
- Restart Active Citizens workshops if restrictions permit
- Review the operation of the A&I service in the light of easing restrictions and our experience of new working methods during the pandemic Continue to support the work of the ICEVLP (Bishop's Commission), with the expectation of publication of a report in the summer and a programme of dissemination to follow
- Continue to refresh information resources for prisoners and families, and in particular for people serving indeterminate sentences
- Circumstances permitting, recruit a further ROTL trainee later in the year
- Undertake a small-scale study of the obstacles to controlled but widespread internet access in prisons for prisoners
- Take forward the proposal to work with HMPPS on the involvement of prisoners in recruitment and training of prison officers
- Work closely with HMPPS officials as they develop their thinking on recovery from the pandemic, taking opportunities in particular to feed in the perspective of prisoners and press for prisons to make prisoner involvement a standard element of their planning and delivery.

Promoting equality and human rights in the justice system

We will:

- Continue our challenge to the rollout of PAVA and ensure HMPPS is held to account for the way it is used
- Continue membership of the EASP, and press for greater accountability over the way equality impact assessments are responded to in the formation of policy, and specifically in relation to the White Paper on sentencing
- Contribute to the strategic review of the children's estate and press for the use of specialist and high-quality provision in preference to YOIs where the opportunity arises
- Continue our membership of ABFO and ensure that the distinctive experience of women is reflected in all our work (as evidenced in objectives earlier in this paper)
- Carry out a PPN consultation focused on race

Informing the public, Parliament and policy development: Get the facts about prisons and prisoners better known

We will:

- Publish Bromley Briefings in June and December
- In June publish a 40th anniversary history of PRT, both to inform and to support fundraising
- Publish briefings under the Bromley brand on HDC and overcrowding
- Continue the dissemination of findings from 2020 reports on the employment of people convicted of sexual offences, and the recall of IPP prisoners.
- Test the potential for using MQPL data against hypotheses about prison life, with a view to securing HMPPS approval for the formal use of that data in an agreed research proposal.
- Continue to provide the secretariat for the All-Party Group on Penal Affairs
- Complete the re-design of the PRT website
- Hold further online seminars as part of our dissemination work
- Continue to maintain a strong media presence, including prisoner facing media such as Inside Time and National Prison Radio

Overview of the year

2020 has clearly been a year like no other. In common with so many other organisations, we were forced quickly to adapt our working methods and after a brief period when the majority of colleagues were furloughed, resumed the majority of our activity within a couple of months. The stored-up capital of strong relationships both within PRT and between PRT and our stakeholders and partners has meant that the organisation has proved to be extremely resilient. As the preceding sections demonstrate, we were able to adapt to focus on the immediate priorities for prisons, created by the pandemic, without losing momentum on longer term priorities which will if anything be more important as the system emerges from lockdown.

Sadly, the pandemic did nothing to disrupt the political direction of travel described in last year's report. Indeed, the government has chosen to make highly punitive sentencing changes its first priority for non-Covid and non-Brexit legislation. There is no effective opposition in the Commons to its unevidenced and cruel proposals. The damaging cycle of the two main parties looking to "out-tough" the other on crime has reasserted itself.

But the admirable response of colleagues at PRT, and the distinctly less than admirable political response of the politicians to the pandemic in prisons, all pale into insignificance when set alongside the suffering of prisoners through this extraordinary year. That suffering has attracted very little media coverage – understandably perhaps when so many others have faced unforeseen tragedy. But it has been beyond anything those familiar with prisons could have contemplated – a year of conditions amounting to solitary confinement for virtually the whole prison population. PRT has been tireless in listening to the voices of those subjected to this awful experience and representing the reality of their suffering to decision makers in both Westminster and Whitehall.

So, in PRT's 40th year the goal of reducing the unnecessary use of imprisonment appears more challenging than ever. The overcrowding that results continues to undermine our goals of improving prison conditions and safeguarding the human rights of prisoners. In those circumstances, the continued loyalty of so many existing supporters is both gratifying and essential. We continue to expand our funding base incrementally, in particular in relation to our work on engaging and empowering prisoners and their families in advocacy on policy. Our insight, both corporately and as a team of individuals with an exceptionally wide range of personal and professional backgrounds, continues to be sought as well as offered. In fact, the more challenging the operating context, the more essential it becomes to nurture and organisation that cleaves to evidence and the actual experience of prisoners.

Prisons are about to enter another critical period, with the pandemic having obliterated norms and expectations, both good and bad. Because of its reputation, earned over 4 decades, PRT finds itself in the centre of the debate about what emerges from that maelstrom.

Structure, governance and management

Governing document

The company is established under a memorandum of association, which sets out its objects and powers as a charitable company and is governed under its articles of association. The Prison Reform Trust is currently working to a five-year strategic plan, published in June 2018.

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page one. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2020 was 13.

Organisation

The Prison Reform Trust is a small organisation with clear objectives, a high national profile and a strong track record of achieving policy and practice change. It is governed by an experienced and knowledgeable Board of Trustees which meets four times a year. It operates within an equal opportunities policy the implementation of which is kept under review. Oversight of personnel matters and risk management is maintained by its Staffing and General Purposes sub-committee. Oversight of money is overseen by the Finance and Fundraising sub-committee. Management and development of the charitable company is delegated to its director, Peter Dawson, who is accountable to the Chair. Reports are submitted as required to Companies House and the Charity Commission by the company secretary. Systems for line management, appraisal, staff development and supervision are in place together with grievance and complaints procedures. A strategic plan was agreed by the Board for the period 2018–2023.

The organisation is a charitable company limited by guarantee, incorporated on 3 March 1994 and registered as a charity on 23 March 1994.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration policy

The Prison Reform Trust aims to pay salaries which are fair, competitive with the charity sector and proportionate to the complexity of each role. In determining the right level of pay PRT uses the National Joint Council for Local Government Services pay scales and job evaluations as guidance. All staff are entitled to 7% of their gross salary as a non-contributory pension payment. The Prison Reform Trust ensures all staff are paid above the living wage as defined by the Living Wage Foundation, as well as paying above the London Living Wage.

James Timpson OBE has been the Chair since April 2016. Following a process by which the Staffing and General Purposes Sub-Committee considers the board's needs in terms of its overall experience and skills, and the diversity of its membership, new trustees are invited to join the board. No trustees stepped down in this financial year. Dale Simon joined.

Trustee induction and training

Opportunities to visit prisons alongside Prison Reform Trust staff are made available to those who wish to take them up. As far as possible, NCVO guidelines are followed in regard to induction and training. Outside formal meetings structure there is a good level of trustee involvement in steering major programmes and project advisory work.

Financial review

In the financial year 2020/21 overall income exceeded expenditure by £15,806 (2020: income exceeded expenditure by £44,876). Total incoming resources for the year to 31 March 2021, including legacies, grants and donations, was £1,493,191, compared to £1,669,893 in 2020. Income included claims to the job retention scheme ('furlough') totalling £115,382. Costs of staff on furlough, which would have been otherwise charged against restricted funds, have been allocated against unrestricted funds, where the furlough income has been recognised.

Unrestricted grant income shows an increase of approximately 8% from £253,000 to £274,192.

The Northmoor Trust made a donation in 2019 and this was designated, trustees agreed to use the designation largely over three financial years from 2019. £264,451 remains from £500,000 after this second financial year. The designated expenditure is outlined as follows; £338,000 salaries for new roles created as a result of the fund; £102,000 development fund; £30,000 IT hardware and website refreshment; £10,000 staff training and development and £20,000 for an award.

Prison Reform Trust

Trustees' annual report

For the year ended 31 March 2021

Restricted income shows a 13% decrease of £143,953, from £1,095,030 to £951,077.

Further details of funders who generously provided support for restricted funding programmes during the year are shown in note 14.

The Prison Reform Trust received significant donations and grants towards core costs from The Esmée Fairbairn Foundation; The Hadley Trust; The Persula Foundation; The Emmanuel Kaye Foundation; The J Leon Charitable Fund; The Network for Social Change; The 29th May 1961 Charitable Trust; The AB Charitable Trust; PR& SH Southall Charitable Trust; Uber Global Citizenship.

The Alchemy Foundation granted a sum restricted for use towards the fundraising costs and salary. This has been included in unrestricted totals.

Legacies derived from the estate of Audrey Stern (£5,000).

Total resources expended in the year amounted to £1,477,385, compared to £1,625,017 in the previous financial year, a decrease of approximately 9% and amounting to £147,632. Net assets at the year-end totalled £1,250,561 of which 6.5% were represented by fixed assets. The charity's liquid assets at the year-end covered approximately 9 ½ months' total operating costs.

In the 2020/21 financial year the Prison Reform Trust deployed unrestricted reserves to support programmes in the sum of £25,280 (2020 £11,810).

Principal risks and uncertainties

The Trust's risk register is considered at bi-monthly senior management team meetings and forms part of the director's report to quarterly board meetings. It is also considered periodically by both finance and general purposes sub committees.

The board's structure of quarterly meetings with a finance sub-committee and a general purposes sub-committee working to it has works well, and the process of the board tenure procedures continues.

The finance sub-committee has been strengthened by the co-option of a specialist member, Neil Yazdani, with specific financial expertise.

Operationally, the political upheavals referred to above have posed significant challenges for an organisation devoted to strategic reform. Our ability to build new relationships quickly has been tested and found to be in good order, bolstered by the quality of evidence and analysis which we are able to provide.

Our ability to attract candidates of quality when posts fall vacant has been shown to be high, with two appointments during the year. We continue to look for a diverse and talented workforce and encourage applications from those with lived experience of prison.

Covid

The pandemic's most immediate affect has been on the Prison Reform Trust's operations. Adaptions have been made in accordance with government and health guidelines. The office closed, some staff were 'furloughed' for a limited time, and prisons and other places where work is conducted have likewise been closed.

In terms of income, most of the Prison Reform Trust's funding comes from trusts, foundations and grant-making bodies. These were contacted and informed of our plans and any necessary revisions, and there is ongoing communication. Funders have been supportive and understanding. The fundraising strategy has been revised in preparation for the prospect of a more challenging landscape. Some events, like a supporter's party and a quiz, were cancelled, however engagement was the aim of these events, rather than financial targets.

The Prison Reform Trust's only fixed asset is the lease on the office premises. No income is derived from this lease and its value has not been affected.

There are no commercial or banking debts, other than charge cards which are paid in full monthly.

As stated previously, some staff were full-time 'furloughed' for up to a 2-month period, between April –May 2020 inclusive, thereafter some part-time furlough arrangements have variously been in place, and claims made on the government's job retention scheme. Staff are held on a variety of contracts, some of which are fixed. Most staff are held on one-month notice periods, only three staff have three-month notice periods. Some funding is restricted to pay for all, or part, of a specific role/staff members salary.

Reserves policy and going concern

Although the Prison Reform Trust is fortunate in the breadth of its donor base, the trustees believe that in the absence of endowments, and with few guaranteed recurrent grants, the charity should aim to maintain liquid reserves sufficient to cover at least three months' total anticipated expenditure. At least one-third should be held as unrestricted, free liquid reserves. Notwithstanding the present difficult economic environment, the charity has developed a strategy to enable it to meet this objective.

Free reserves, which are unrestricted funds not designated or held as fixed assets, total £339,677 (2020: £405,059) for the financial year (approximately 2.7 months total expenditure on 2021 results). Restricted funds total £567,783 (2020: £358,822), 4.6 months total expenditure. Together, amounting to £907,460 and 7.3 months, (2020: £763,881 5.6 months).

Designated funds consist of cash of £261,451 (2020: £385,674) which is to be largely spent over the next financial year, and a lease with a value of £81,650.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees and the management team have reviewed all expected income and expenditure projections and have concluded that, together with the reserves, there is a reasonable expectation that the Prison Reform Trust has adequate resources to continue in operational existence for the foreseeable future. The Prison Reform Trust, therefore, continues to adopt the going concern basis in preparing its financial statements.

Fundraising

The Prison Reform Trust has the benefit of a part-time development manager, who is a member of the Institute of Fundraising. This role is generously funded and supported by The Alchemy Foundation.

The majority of our funding across restricted and unrestricted areas comes from grants awarded upon application, from charitable trusts and foundations.

We also receive money from individual donors, corporations, legacies, and members of our Friends scheme.

We do not use direct marketing, telemarketing, street collections, sponsorships or any other form of fundraising, other than that stated above. The Prison Reform Trust complies fully with fundraising regulations and codes and has not received any complaints with regards to its fundraising activities. The Prison Reform Trust considers if people may be vulnerable or be in vulnerable circumstances—if we have reasonable grounds for believing that a potential donor lacks the capacity to make a decision to support us, then a donation will not be taken. If a donation has already been made, and at the time of donating the individual lacked capacity (and we receive evidence of this) then we will return that donation.

We do not use professional fundraisers or commercial participators, or any third parties.

Statement of responsibilities of the trustees

The trustees (who are also directors of Prison Reform Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 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 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 charitable company 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 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 auditor is unaware.
- 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 14 (2020: 13). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 5 October 2021 and signed on their behalf by

James Timpson OBE
Chair

Opinion

We have audited the financial statements of Prison Reform Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 Prison Reform Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

Prison Reform Trust

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 the audit:

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

Independent auditor's report

To the members of

Prison Reform Trust

- 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

Prison Reform Trust

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

Prison Reform Trust

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 auditor's 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.

Judith Miller (Senior statutory auditor)

4 November 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Prison Reform Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Grants, donations and legacies	2	390,460	–	390,460	550,332	–	550,332
Charitable activities	3						
1 Reducing unnecessary imprisonment		–	532,291	532,291	–	507,890	507,890
2 Improving treatment & conditions for prisoners and their families		–	224,993	224,993	–	355,693	355,693
3 Promoting equality and human rights in the justice system		–	114,800	114,800	–	99,954	99,954
4 Informing the public, Parliament and policy development		–	78,993	78,993	–	131,493	131,493
Other trading activities (including government job retention scheme payments for 2020/21)	14	151,233	–	151,233	23,357	–	23,357
Interest		421	–	421	1,174	–	1,174
Total income		542,114	951,077	1,493,191	574,863	1,095,030	1,669,893
Expenditure on:							
Raising funds		30,000	–	30,000	38,778	–	38,778
Charitable activities							
1 Reducing unnecessary imprisonment		333,195	370,212	703,407	310,753	367,149	677,902
2 Improving treatment & conditions for prisoners and their families		210,797	232,505	443,302	196,599	360,412	557,011
3 Promoting equality and human rights in the justice system		47,599	64,627	112,226	44,393	115,976	160,369
4 Informing the public, Parliament and policy development		88,398	100,052	188,450	82,444	108,513	190,957
Total expenditure	4	709,989	767,396	1,477,385	672,967	952,050	1,625,017
Net income / (expenditure) for the year	5	(167,875)	183,681	15,806	(98,104)	142,980	44,876
Transfers between funds	14	(25,280)	25,280	–	(11,810)	11,810	–
Net movement in funds		(193,155)	208,961	15,806	(109,914)	154,790	44,876
Reconciliation of funds:							
Funds brought forward		875,933	358,822	1,234,755	985,847	204,032	1,189,879
Total funds carried forward		682,778	567,783	1,250,561	875,933	358,822	1,234,755

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Prison Reform Trust

Balance sheet

Company no. 2906362

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	10		81,650		85,200
Current assets:					
Debtors	11	31,747		89,538	
Cash at bank and in hand		1,177,935		1,076,303	
		<u>1,209,682</u>		<u>1,165,841</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(40,771)		(16,286)	
Net current assets			<u>1,168,911</u>		<u>1,149,555</u>
Total net assets			<u><u>1,250,561</u></u>		<u><u>1,234,755</u></u>
The funds of the charity:	14				
Restricted income funds			567,783		358,822
Unrestricted income funds		339,677		405,059	
Designated funds (Northmoor Trust)		261,451		385,674	
Designated funds (lease)		<u>81,650</u>		<u>85,200</u>	
Total unrestricted funds:			<u>682,778</u>		<u>875,933</u>
Total charity funds			<u><u>1,250,561</u></u>		<u><u>1,234,755</u></u>

Approved by the trustees on 5 October 2021 and signed on their behalf by

James Timpson OBE
Chair

Prison Reform Trust

Statement of cash flows

For the year ended 31 March 2021

Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	15,806	44,876
Depreciation charges	13,584	21,823
Interest income	(421)	(1,174)
Decrease in debtors	57,791	(67,332)
Increase in creditors	24,485	(31,954)
Net cash from/(used in) operating activities	<u>111,245</u>	<u>(33,761)</u>

	2021 £	£	2020 £	£
Net cash from/(used in) operating activities		111,245		(33,761)
Cash flows from investing activities:				
Interest income	421		1,174	
Purchase of fixed assets	<u>(10,034)</u>		<u>(18,273)</u>	
Net cash used in investing activities		<u>(9,613)</u>		<u>(17,099)</u>
Change in cash and cash equivalents in the year		101,632		(50,860)
Cash and cash equivalents at the beginning of the year		<u>1,076,303</u>		<u>1,127,163</u>
Cash and cash equivalents at the end of the year		<u>1,177,935</u>		<u>1,076,303</u>

1 Accounting policies

a) Statutory information

Prison Reform Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 15 Northburgh Street, London, EC1V 0JR.

b) Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The impact of the Covid-19 pandemic has been considered. There are no post-balance sheet events that require adjustments in the accounts or disclosure in the notes to the accounts. The lease asset has not been impaired and no borrowings are held. Income, largely through grants, has yet to be materially affected. Office premises were closed from April 2020, and the government staff retention scheme was accessed as needed throughout the financial year. There is no current assessment that staff contracts will be affected, other than in the normal course of events, in the period to September 2022. The majority of staff are subject to one-month notice periods, with three subject to three-month notice periods.

e) Income

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

Income from grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

f) Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

j) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs, and
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Reducing unnecessary imprisonment	43%
• Improving treatment & conditions for prisoners & their families	28%
• Promoting equality & human rights in the justice system	6%
• Informing the public, parliament in the justice system	12%
• Support costs	5%
• Governance costs	6%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Reducing unnecessary imprisonment	49%
• Improving treatment & conditions for prisoners & their	31%
• Promoting equality & human rights in the justice system	7%
• Informing the public, parliament in the justice system	13%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Service charges are charged quarterly over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold property	2%
• Computer equipment	100%
• Fixtures & fittings	25%

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably 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 normally recognised at their settlement amount after allowing for any trade discounts due.

1 Accounting policies (continued)

q) Pensions

The Prison Reform Trust contributes towards employees' personal pension plans with costs being charged to the Statement of Financial Activities as they fall due. The Prison Reform Trust contributes to staff pensions at the rate of 7% on gross salaries. Pensions can be taken out by all staff on all contracts.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Grants (see below for list of funders)	274,192	–	274,192	253,000	–	253,000
Gifts & donations	111,268	–	111,268	183,719	–	183,719
Legacies	5,000	–	5,000	113,613	–	113,613
	390,460	–	390,460	550,332	–	550,332
Unrestricted charitable activity						
Esmée Fairbairn Foundation	50,000	–	50,000	100,000	–	100,000
The Hadley Trust	50,000	–	50,000	–	–	–
J Leon Charitable Fund	25,000	–	25,000	25,000	–	25,000
Alchemy Foundation	30,000	–	30,000	30,000	–	30,000
The AB Charitable Trust	40,000	–	40,000	40,000	–	40,000
Other	79,192	–	79,192	58,000	–	58,000
Sub-total for unrestricted charitable activity	274,192	–	274,192	253,000	–	253,000

Legacies derived from the estate of Audrey Stern (£5,000).

The value of services provided by advisors and volunteers is not incorporated into these financial statements. Acknowledgement of their contribution can be found in the Report of the Trustees.

3 Income from charitable activities (restricted)

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Reducing unnecessary imprisonment						
Big Lottery	–	27,416	27,416	–	260,157	260,157
National Lottery	–	504,875	504,875	–	247,733	247,733
Barrow Cadbury Trust	–	–	–	–	–	–
Kowitz Family Foundation	–	–	–	–	–	–
Sub-total for reducing unnecessary imprisonment	–	532,291	532,291	–	507,890	507,890
Improving treatment and conditions for prisoners and their families						
The Hadley Trust	–	150,000	150,000	–	200,000	200,000
Porticus Foundation	–	49,993	49,993	–	49,993	49,993
Goldsmiths Charitable Foundation	–	–	–	–	20,000	20,000
Blagrove Trust	–	–	–	–	20,000	20,000
Garfield Weston Foundation	–	–	–	–	50,000	50,000
Donation	–	–	–	–	10,000	10,000
AB Charitable Trust	–	25,000	25,000	–	–	–
Other	–	–	–	–	5,700	5,700
Sub-total for improving treatment & conditions for prisoners & their families	–	224,993	224,993	–	355,693	355,693

3 Income from charitable activities (restricted) continued

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Promoting equality & human rights in the justice system						
The Open Society Foundation	-	114,800	114,800	-	99,954	99,954
The AB Charitable Trust	-	-	-	-	-	-
Sub-total for promoting equality & human rights in the justice system	-	114,800	114,800	-	99,954	99,954
Informing the public, Parliament & policy development						
The Bromley Trust	-	30,000	30,000	-	30,000	30,000
Rank Foundation	-	-	-	-	20,000	20,000
Persula Foundation	-	-	-	-	25,000	25,000
Barrow Cadbury Trust	-	19,000	19,000	-	21,500	21,500
Porticus Foundation	-	29,993	29,993	-	34,993	34,993
Other	-	-	-	-	-	-
Sub-total for informing the public, Parliament & policy development	-	78,993	78,993	-	131,493	131,493
Total income from charitable activities	-	951,077	951,077	-	1,095,030	1,095,030

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2021

4a Analysis of expenditure (current year)

	Charitable activities								
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 6)	27,787	244,381	162,492	24,207	86,026	–	574,761	1,119,654	1,056,295
Travel, training & subsistence	–	1,065	1,183	2,372	–	–	1,983	6,603	78,781
Research & consultancy fees	–	20,151	22,685	27,314	5,775	–	24,274	100,199	153,434
Events, legal & professional fees	–	–	–	–	–	–	–	–	28,917
Office & premises	–	–	–	–	–	–	21,534	21,534	18,995
Finance, audit & insurance	–	–	–	–	–	886	16,492	17,378	15,509
Printing & publications	–	3,639	21,769	3,085	4,861	–	11,946	45,300	51,311
Beneficiary engagement	–	108	4,620	–	–	–	5,301	10,029	7,597
Administration & support	–	93,563	5,000	3,115	2,640	–	(104,318)	–	70,186
Depreciation	–	–	–	–	–	–	13,584	13,584	21,823
Other costs	2,213	7,305	14,756	4,534	750	–	113,546	143,104	122,169
	30,000	370,212	232,505	64,627	100,052	886	679,103	1,477,385	1,625,017
Support costs	–	332,761	210,522	47,537	88,283	–	(679,103)	–	–
Governance costs	–	434	275	62	115	(886)	–	–	–
Total expenditure 2021	30,000	703,407	443,302	112,226	188,450	–	–	1,477,385	
Total expenditure 2020	38,778	677,902	557,011	160,369	190,957	–	–		1,625,017

Of the total expenditure, £709,990 was unrestricted (2020: £672,967) and £767,395 was restricted: (2020: £952,050). Restricted staff costs of £53,737 were absorbed by unrestricted funds in respect of claims made to the government job retention scheme.

4b Analysis of expenditure (prior year)

	Charitable activities							
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 6)	37,432	216,347	254,796	38,259	88,174	–	421,287	1,056,295
Travel, training & subsistence	31	20,842	21,631	15,542	146	936	19,653	78,781
Research & consultancy fees	–	48,166	38,393	45,633	954	–	20,288	153,434
Events, legal & professional fees	–	13,002	1,130	10,527	1,748	–	2,510	28,917
Office & premises	–	–	–	–	–	–	18,995	18,995
Finance, audit & insurance	–	–	–	–	–	881	14,628	15,509
Printing & publications	–	2,649	22,351	1,329	11,318	–	13,664	51,311
Beneficiary engagement	–	1,215	6,382	–	–	–	–	7,597
Administration & support	–	58,784	5,000	3,762	2,640	–	–	70,186
Depreciation	–	576	–	–	–	–	21,247	21,823
Other costs	1,315	5,568	10,729	924	3,533	839	99,261	122,169
	38,778	367,149	360,412	115,976	108,513	2,656	631,533	1,625,017
Support costs	–	309,451	195,776	44,207	82,099	–	(631,533)	–
Governance costs	–	1,302	823	186	345	(2,656)	–	–
Total expenditure 2020	38,778	677,902	557,011	160,369	190,957	–	–	1,625,017

Of the total expenditure, £672,967 was unrestricted (2019: £407,218) and £952,050 was restricted (2019: £892,610).

Notes to the financial statements

For the year ended 31 March 2021

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	13,584	21,823
Auditor's remuneration (including VAT):		
Audit	9,360	9,100
Under accrual from prior year	–	100
Trustee's indemnity insurance	886	881
	886	881

There were no fees for non-audit services.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	953,284	898,551
Social security costs	99,817	95,102
Employer's contribution to defined contribution pension schemes	53,434	49,421
Employer's contribution to personal pension schemes	13,119	13,221
	1,119,654	1,056,295

The following number of employees received employee benefits (excluding employer pension costs and national insurance) during the year between:

	2021 No.	2020 No.
£90,000 – £99,999	1	1

The total employee benefits (including pension contributions and national insurance) of the key management personnel were £96,862 (2020: £92,114).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £1,775) incurred by 0 (2020: 9) members relating to attendance at meetings of the trustees. Training expenses were £nil (2020: £nil).

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 26 (2020: 25).

Staff deployment

	2021 Approx. head count	2020 Approx. head count
Reducing unnecessary imprisonment	5.5	7
Improving treatment & conditions for prisoners & their families	9.5	9
Promoting equality & human rights in the justice system	1	2
Informing the public, parliament in the justice system	5.5	4
Support	4.5	3
	26	25

Notes to the financial statements

For the year ended 31 March 2021

8 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

Aggregate donations from related parties were £nil (2020: £nil).

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At the start of the year	177,500	44,476	78,763	300,739
Additions in year	–	–	10,034	10,034
At the end of the year	177,500	44,476	88,797	310,773
Depreciation				
At the start of the year	92,300	44,476	78,763	215,539
Charge for the year	3,550	–	10,034	13,584
At the end of the year	95,850	44,476	88,797	229,123
Net book value				
At the end of the year	81,650	–	–	81,650
At the start of the year	85,200	–	–	85,200

All of the above assets are used for charitable purposes.

11 Debtors

	2021 £	2020 £
Other debtors	12,495	9,985
Prepayments	12,605	11,060
Accrued income	6,647	68,493
	31,747	89,538

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	32,225	3,345
Taxation, social security, pensions	811	–
Other creditors	1,022	1,208
Charge card	473	2,633
Accruals & deferred income	6,240	9,100
	40,771	16,286

13a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	81,650	–	81,650
Net current assets	339,677	261,451	567,783	1,168,911
Net assets at the end of the year	339,677	343,101	567,783	1,250,561

13b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	85,200	–	85,200
Net current assets	405,059	385,674	358,822	1,149,555
Net assets at the end of the year	405,059	470,874	358,822	1,234,755

Notes to the financial statements

For the year ended 31 March 2021

14a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
BIG Lottery–Reducing Women's Imprisonment	16,100	27,416	64,421	20,905	–
National Lottery–Building Futures	176,216	504,875	305,791	–	375,300
Improving treatment & conditions for prisoners & their families					
Advice & information service	48,172	150,000	156,643	–	41,529
Prisoner engagement	13,473	49,993	44,932	–	18,534
Active citizens–improving regimes	1,555	–	1,555	–	–
Writing competition	–	–	4,375	4,375	–
Independent Commission	–	25,000	25,000	–	–
Promoting equality & human rights in the justice system					
Disability in prison–global	63,577	114,800	64,627	–	113,750
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	4,049	19,000	18,145	–	4,904
Bromley Briefings Prison Factfile	354	30,000	16,861	–	13,493
Communications & policy	23,243	29,993	52,963	–	273
Director salary	12,083	–	12,083	–	–
Total restricted funds	358,822	951,077	767,396	25,280	567,783
Unrestricted funds:					
Designated funds:					
Fixed asset fund	85,200	–	3,550	–	81,650
Northmoor Trust	385,674	–	124,223	–	261,451
Total designated funds	470,874	–	127,773	–	343,101
Unrestricted income fund	405,059	542,114	582,216	(25,280)	339,677
Total unrestricted funds	875,933	542,114	709,989	(25,280)	682,778
Total funds	1,234,755	1,493,191	1,477,385	–	1,250,561

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2021

14b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
Recall	15,495	–	15,495	–	–
BIG Lottery–Reducing Women's Imprisonment	36,080	260,157	280,137	–	16,100
National Lottery–Building Futures	–	247,733	71,517	–	176,216
Improving treatment & conditions for prisoners & their families					
Advice & information service	2,761	200,000	154,589	–	48,172
Prisoner engagement	79,330	112,670	178,527	–	13,473
Active citizens–improving regimes	–	5,700	4,145	–	1,555
Writing competition	–	–	4,480	4,480	–
Offenders work placements	1,341	–	1,341	–	–
Independent Commission	–	10,000	17,330	7,330	–
Promoting equality & human rights in the justice system					
Disability in prison–global	27,323	127,277	91,023	–	63,577
Sex offenders	24,953	–	24,953	–	–
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	2,166	21,500	19,617	–	4,049
Bromley Briefings Prison Factfile	–	30,000	29,646	–	354
Communications & policy	–	59,993	36,750	–	23,243
Director salary	14,583	20,000	22,500	–	12,083
Total restricted funds	204,032	1,095,030	952,050	11,810	358,822
Unrestricted funds:					
Designated funds:					
Fixed asset fund	88,750	–	3,550	–	85,200
Northmoor Trust	500,000	–	114,326	–	385,674
Total designated funds	588,750	–	117,876	–	470,874
Unrestricted income fund	397,097	574,863	555,091	(11,810)	405,059
Total unrestricted funds	985,847	574,863	672,967	(11,810)	875,933
Total funds	1,189,879	1,669,893	1,625,017	–	1,234,755

Purposes of restricted funds

In the financial year ended 31 March 2021, the Prison Reform Trust operated the following programmes through restricted funding:

Reducing unnecessary imprisonment

Reducing Women's Imprisonment: Funded by the Big Lottery, this four– year programme pursued the reduction of women's imprisonment across the UK. This programme was completed in November 2020.

Building Futures: Funded by the National Lottery, this is a five–year programme focusing on long–term imprisonment in the UK.

14 Movement in funds (continued)

Improving treatment & conditions for prisoners and their families

Advice & Information Service: Funded by the Hadley Trust, the Prison Reform Trust's advice and information service responds to thousands of queries a year from prisoners, their friends and families, and from people working with prisoners.

Prisoner engagement: Funded by Porticus UK, the prisoner engagement programme involves and seeks views from those affected by the criminal justice system. This programme has also been supported by the Blagrove Trust (Listening Fund), Garfield Weston Foundation and Goldsmiths.

Active Citizens: On active citizenship, the Prison Reform Trust continued to engage with prisons to facilitate workshops to identify new ways in which prisoners can take more responsibility for the health of their community.

Writing competition: The annual writing competition is open to prisoners, prisoners' families and friends and former prisoners across the UK.

Independent Commission: This work is supported by the Prison Reform Trust. It is looking at how prison sentences work for the most serious of crimes, and the experience of victims and prisoners. Some funding has been provided by the AB Charitable Trust.

Promoting equality & human rights in the justice system

Disability in prisons, global: This work is funded by the Open Society Foundation.

Informing the public, Parliament & policy development

All Party Parliamentary Penal Group: The Prison Reform Trust is funded by the Barrow Cadbury Trust to organise and provide the secretariat to meetings.

Bromley Briefings Prison Factfile: The Bromley Trust funds towards the bi-annual compilation, publication and dissemination of Prison: the Facts.

Communications & policy: Porticus UK supports the communication and policy function.

Director salary: The Rank Foundation awarded funding towards the director's salary.

Transfers

The reason for transfers at the Prison Reform Trust is to apply cash from unrestricted funds to finance a deficit on restricted funds. The total amount transferred from unrestricted funds to finance deficits in restricted programmes totals £25,280 for the financial year (2020: £11,810). Salary costs incurred by restricted programmes, totalling £53,737, were absorbed by unrestricted funds as a calculated element of income received by unrestricted funds through the government job retention scheme. The total received under the scheme for the financial year was £115,382.

Purposes of designated funds

Designated funds consist of: a single fixed asset fund, representing the lease at 15 Northborough Street. There remains 23 years at the current rate of amortisation.

A designated fund was established in the 2018/19 financial year from monies donated by the Northmoor Trust. These designated funds will be expended according to the agreement reached by trustees, see the trustees report for more details.

15 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.