

PRISONERS' EDUCATION TRUST

**(Company limited by guarantee no. 04132595
registered charity no. 1084718)**

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2023

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 December 2023

Trustees: Hilary Cross - *Deputy Chair (to 29 March 2023)*
Ola Daniel
Elisabeth Davies - *Chair (to 19 July 2023)*
Catherine Dawkins - *Honorary Treasurer (to 24 May 2023)*
Judith Feline
Emily Giles
Paul Kelly - *Chair (from 31 January 2024)*
James Killen
Simon Mellor - *Trustee (to 24 May 2023) and Honorary Treasurer (from 24 May 2023)*
Ken Merry
Vicki Morris
Mandeep Mahil (*to 31 January 2024*)
Lewis Owens (*to 8 January 2024*)
Sir Paul Phillips CBE
Richard Ward OBE - *Trustee (to 24 May 2023), Deputy Chair (from 24 May 2023) and Acting Chair (19 July 2023-31 January 2024)*

Trustees serve four-year terms and are limited to a maximum of two terms other than in exceptional circumstances.

**Company Secretary
and Chief Executive:** Jon Collins

Company reg. no: 04132595

Charity reg. no: 1084718

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 December 2023 (continued)

Registered office: The Foundry
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London
SE11 5RR

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CCLA
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Solicitors: BPE Solicitors LLP
St James' House
St James' Square
Cheltenham
GL50 3PR

**TRUSTEES' ANNUAL REPORT, (incorporating the Directors' report)
for the year ended 31 December 2023**

The trustees (who are also the directors for the purposes of company law) present their report and the audited financial statements for the year ended 31 December 2023.

The trustees confirm that the annual report and financial statements of Prisoners' Education Trust (PET) comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTS, ACTIVITIES, AND STRATEGY

Objects

The charitable objects of PET are contained in our Memorandum and Articles of Association and relate to advancing the education and training of prisoners and ex-prisoners in the UK, the Isle of Man and the Channel Islands (though in practice we do not fund prisoner learners in Scotland and Northern Ireland). They include providing funding for distance learning courses; providing advice and guidance about education and training; promoting improvements in prison education policy and practice; publicising the authentic views and insights of prisoner learners; and commissioning and carrying out research, projects, reports, and conferences to help in evaluating and promoting improvements in prison education policy and practice in the UK.

Vision, mission and values

PET's **vision** is:

Prisoners' lives transformed through learning

This is supported by our **mission**:

Every prisoner a learner, every prison a place to learn

The vision and mission are underpinned by PET's values:

- **we inspire** hope and aspiration through learning;
- **we care** passionately about empowering learners and staff;
- **we collaborate** to achieve more together;
- **we are tenacious** to make change happen;
- **we are expert** and listen to learners and other experts;
- **we celebrate** everyone's successes; and
- **we are inclusive** and promote equality and diversity.

Strategy

PET published a five-year strategy for 2022-26 in October 2021. It is available at prisonerseducation.org.uk/about-us. This strategy sets out the following aims:

1. We will extend our reach by seeking out and engaging people in prison who have not yet considered or participated in distance learning.
2. We will extend the support that we provide, to enable learners to access courses that meet their goals and to increase the proportion who complete their courses.
3. We will make use of digital technology to enhance the learning experience for people in prison.
4. We will use PET's standing to influence policy in order to achieve change and realise our vision.

To enable us to carry out this work effectively and in line with our values the strategy also says that:

5. We will engage with and involve people with lived experience of prison education, so that PET continues to put the learner at the centre of all that we do.
6. We will put equality, diversity and inclusion at the heart of our work, to ensure that fairness is central to everything that we do.
7. We will ensure that PET is a well-run, effective and financially sustainable organisation, built on firm foundations and fit for the future.

These elements of the strategy inform every area of our work.

The sections on achievements and performance below use these strategic priorities to review our work in 2023.

Public benefit

PET, as a registered charity established to support prisoners and ex-prisoners in the UK, is a Public Benefit Entity. When approving PET's ongoing activities, trustees give due consideration to how they meet the Charity Commission's statutory guidance on public benefit.

- We grant access to distance learning courses not otherwise available within the prison system to individual adult prisoners throughout England, Wales, the Isle of Man and the Channel Islands. Rigorous Ministry of Justice research shows that these learning opportunities have a positive impact on reducing reoffending and promoting employment, benefitting the individuals, their families, and wider society.
- We provide an advice service to help people in prison maximise the benefits of successful selection, study and completion of their courses, which again benefits their families and wider society.
- We seek to improve prison education policy, support and promote best practice, and make the case for its benefits to society.

Grant making policy

Any individual aged 18 or over who has been sentenced, is currently serving a custodial sentence in England, Wales, the Channel Islands or the Isle of Man, and has six months or more left to serve on their sentence is eligible to apply to PET to fund them to take part in an educational distance learning course.

Grants are awarded based on an application form, which is designed to gather evidence on a person's readiness and motivation to participate in a distance learning course. This application form needs to be endorsed by an authorised member of staff at the prison. Applications are then scored against transparent criteria. Information, advice and guidance (IAG) is provided to the applicant and to prison education staff throughout the application process. The application and scoring process was redesigned in 2019 and is now well-established.

Our application process is overseen by our Quality Assurance Panel, which is made up of trustees and a member of our Alumni Advisory Group. They meet at least three times a year to review application data, the number of successful applications, and equality, diversity and inclusion (EDI) data. This provides reassurance to the Board of Trustees that the application process is effective and fair.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS

Achievements and performance for 2023

PET in 2023 in numbers

Number of applications for funding from people in prison: 3,051
Number of distance learning courses funded for people in prison: 1,340
Number of prisons that we funded courses in: 119
Number of times information, advice and guidance given: 3,504
Number of calls to PET's Advice Line: 1,215
Income: £1.62m
Number of followers for PET on X (formerly Twitter): 19,979

During 2023, the pressures that the prison system was under were subject to significant public scrutiny and debate. Population pressures saw overcrowding increase and the prison system approach capacity, before emergency measures slowed the growth in the population in the last months of 2023. Alongside the increasing population, staffing shortages had a significant impact on prison regimes, with people in prison continuing to spend longer in their cell each day than had been the case prior to the coronavirus pandemic. The conditions that people were being held in also continued to cause concern.

Within this context, PET continued to offer an invaluable service to learners, supporting people in prison to access distance learning courses and providing related IAG. We also,

in line with our strategy, continued to develop our work, looking to extend our reach and the support that we are able to offer to learners and explore ways to make better use of digital technology to improve learners' experiences.

Alongside this we continued to work to inform and influence prison education policy, working with ministers, civil servants and parliamentarians, as well as senior staff in HM Prisons and Probation Service (HMPPS), to support the development of prison education. This included contributing to the development of a new Prison Education Service, which saw changes to prison education being introduced during 2023 ahead of the retendering of the core education delivery contracts. This will be a significant opportunity to address current concerns about the quality of prison education.

Our work during 2023 is described in more detail below, set out under the priorities identified in PET's organisational strategy.

1) Extending our reach by seeking out and engaging people in prison who have not yet considered or participated in distance learning

During 2023 PET continued, through our Access to Learning (A2L) programme, to be the leading organisation funding and supporting distance learning in prisons in England and Wales, as well as the Channel Islands and the Isle of Man. This is the largest area of our charitable expenditure. We provide a unique service to people in prison, enabling them to access distance learning courses that would otherwise be unavailable to them. This helps people leaving prison to secure employment and reduces reoffending.

During 2023 PET faced rising average course prices and an increase in our running costs, both driven by high levels of inflation. In response to this, and following careful consideration by the Board of Trustees, we reluctantly limited the number of courses that we funded to manage our expenditure. We received 3,051 applications for support to access distance learning, of which 1,340 (44%) were successful. This exceeded our target for the year (1,300 awards) by 40. In 2022, we received fewer applications (2,667) but more were successful (1,507).

	2019	2020	2021	2022	2023
Applications	2,678	1,798	2,315	2,667	3,051
Awards	1,703	1,046	1,437	1,507	1,340

The five courses that were applied for most in 2023 were:

- National Examination Board in Occupational Safety and Health (NEBOSH) Health and Safety Executive (HSE) Award in Managing Risks and Risk Assessment
- Business Start-up
- Agile Project Management
- Bookkeeping Certificate
- Institution of Occupational Safety and Health (IOSH) Managing Safely

Looking at successful applications, the five courses that we were able to support most often were:

- NEBOSH HSE Award in Managing Risks and Risk Assessment
- IOSH Managing Safely
- NEBOSH National General Certificate in Occupational Health and Safety
- Bookkeeping Certificate
- Chartered Management Institute (CMI) Level 3 in Principles of Management and Leadership

We know from previous analysis by the Ministry of Justice's Justice Data Lab that accessing the courses that we offer reduces reoffending and improves learners' chances of securing employment after release. But the feedback from learners continued to demonstrate the wider impact that access to distance learning can have. For example, one learner told us that:

"It has been engaging, thought provoking, educational and fun! It has provided a sense of pride and progression, that I'm doing something worthwhile with my time that I hope will benefit me for years to come. I would like to thank you for agreeing to fund this course."

Another said:

"I believe this will really help me gain employment when I am released. I can't thank the Prisoners' Education Trust enough! Thank you!"

A third said:

"Distance learning has helped my mental health and given me a means to spend my time positively in prison as well as given me tools and skills for release. Thank you."

The feedback that we receive from our learners is key to ensuring that the work that we do is having a positive impact, while also helping to guide the future development of the services that we offer.

Extending our reach

In line with the priorities set out in our organisational strategy, during 2023 we continued to work to extend our reach to ensure that people from all prisons and all communities within the prison system have equal access to our services.

Our initial work in this area involved analysing the data that we now capture on who is currently using our services to identify gaps and areas for improvement. We were then able to use this information to secure funding from The National Lottery Community Fund (TNLCF) for a three-year project to, among other things, increase the number of applications that we receive from selected prisons and from older people, Muslim people, and people from Gypsy, Roma and Traveller communities. Planning has been carried out

for this element of the project and work has begun to build relationships with organisations that work with the communities that we have identified.

Promoting PET in prisons

In the meantime, we continued to make in-person visits to prisons during 2023 to promote PET's work to staff and to people in prison. This was complemented by running online virtual prison sessions, where we can share information and good practice with distance learning co-ordinators and other staff. We also continued to contribute to each edition of Inside Time, the national newspaper for people in prison, to promote what PET has to offer. This is a way that we are able to communicate directly with people about the courses that PET offers and developments at PET. Feedback from callers to our Advice Line shows that this is an important way in which people in prison learn about PET - during 2023, 50% of new callers heard about the Advice Line from Inside Time (2022: 58%).

The Frank Awards

As well as access to distance learning courses, PET continued to work in partnership with the Longford Trust to administer the Frank Awards, offering grants to people in prison to cover the cost of individual modules towards degrees at the Open University. During 2023, we were able to support 18 people in prison through the Frank Awards (2022: 15).

Key achievements during 2023

- Funding 1,340 distance learning courses for people in prison, providing access to educational opportunities that would otherwise have been unavailable.
- Securing funding from TNLCF to increase the number of applications that we receive from prisons and communities that are currently underrepresented.
- Contributing monthly to Inside Time, the national prison newspaper, to promote to people in prison what PET has to offer.

2) Extending the support that we provide, to enable learners to access courses that meet their goals and to increase the proportion who complete their courses

The provision of information, advice and guidance (IAG) to people in prison is central to PET's work. During 2023, we provided IAG on 3,504 occasions (2022: 3,608), on average 292 times per month (2022: 301). The top five subjects that we were contacted about were requests for an update on applications, information on how to apply, assistance with courses, course selection, and exams and assessments.

An important way that learners and potential learners were able to contact us was via our Advice Line, which we launched in 2020 following the outbreak of the coronavirus pandemic and the consequent introduction of severely restricted prison regimes. The Advice Line enables people in prison to contact us directly for advice and support and is now a core part of our service.

During 2023 we received 1,215 calls (2022: 1,368) on the Advice Line from 477 unique callers (2022: 496), an average of 101 calls per month (2022: 114). Many callers contacted the Advice Line more than once, demonstrating the way that the service enables PET to develop relationships directly with individual learners, supporting them as they choose a course, apply, complete their course and then consider their next steps.

The positive feedback that we have received demonstrates the value of the Advice Line to people in prison. For example, one learner told us that:

“Every time I called PET, the person I spoke to was very friendly and helpful. Keep it up.”

In addition, PET continued to use the Email a Prisoner (EMAP) service - which enables emails to be printed out and handed to people in prison, with replies scanned and emailed back to us - to respond to queries and provide more information, following up on Advice Line calls that could not be resolved immediately over the phone. This enabled us to respond more quickly to enquiries and prevented some of the inevitable delays caused by using the post.

Support for learners

A key further strand of our work under this element of the strategy during 2023 was to support more people to complete their PET-funded distance learning courses. To enable us to carry out this work, as mentioned above we secured funding from TNLCF for a three-year project to extend our reach and develop the support that we can offer to our learners.

With this funding secured, we were able to begin a programme of work to establish what the key factors are that enable people to complete a PET-funded course. We held focus groups with people who had completed their courses and also focus groups and one-to-one conversations with people who had not completed their courses. This enabled us to begin to develop a picture of what the key supportive factors and the key barriers are. This will inform our work in 2024 and beyond to establish how we can embed and enhance the supportive factors and break down the identified barriers.

Support for prison staff in Wales

PET has also been running a related project working with prison staff in Wales to better enable them to support learners in Welsh prisons, recognising that one of the important enablers of people completing their course is the availability of well-informed and trained staff, particularly distance learning co-ordinators. This has included providing presentations on PET and training for staff. It has also included facilitating meetings of the distance learning co-ordinators from all Welsh prisons, to enable them to collaborate and share best practice. This builds on our previous work in Wales through our Welsh Prisons Project. It also contributes to our broader work to increase the support available to learners, with the learning from this project informing how we support staff in prisons in England.

PET's course prospectus

During 2023, we also began the process of updating our PET Course Prospectus, including collecting feedback from learners and prison and education staff. A new prospectus was published in early 2024.

Key achievements during 2023

- Providing information, advice and guidance to prison education staff, people in prison, and their families on 3,504 occasions.
- Responding to 1,215 calls on our Advice Line, providing direct access for people in prison to our expert staff.
- Continuing to develop our work in Wales, providing support to distance learning co-ordinators and other staff in Welsh prisons.

3) Making use of digital technology to enhance the learning experience for people in prison

During 2023, PET made substantial progress in our work to make better use of digital technology, despite ongoing limitations in the availability of digital technology within prisons and the lack of internet access.

Our work in this area covered three key areas.

Firstly, we continued to work with a range of providers to make our resources available digitally within prisons. This included work to make information about PET and the courses that we offer available on the Virtual Campus, the prison intranet, and to monitor the extent to which they were accessed. We also worked with Coracle Inside, who provide laptops in prisons, to develop a process whereby a person in prison could complete a free PET short course, access our prospectus, apply to do a PET-funded course, and complete that course all on a laptop. With the development work complete, this project will be piloted in 2024.

In addition, we have begun work to develop a secure version of our website that could be accessed within prison, enabling people in prison who have secure access to the internet to find out about PET and what we offer. We initially worked on this with Socrates Software (who provide in-cell tablets in HMP Five Wells) and are now also working with Novus to make it available via their Open Borders system.

Secondly, we were delighted to secure funding from HM Prison and Probation Service (HMPPS), through their Digital Content Innovation Fund, to develop short digital courses for use on the Virtual Campus. This includes a literacy course, which we are developing in partnership with the National Extension College (NEC), and a number of other short courses that we hope will enable people in prison to get a taste of distance learning in a digital environment.

Thirdly, we have been continuing to build on and develop our capacity to gather data on our work digitally. We had previously created a secure interface to enable prison education staff to supply us with data on PET's learners digitally by adding it directly into our Salesforce database. This is both more efficient than our old systems for gathering data and provides more comprehensive and timely information. It is now used by 95% of prisons. To complement this, a similar process has been successfully piloted with our course suppliers and will be rolled out during 2024. This will similarly improve the quality of the data that we are able to collect.

Key achievements during 2023

- Developing a secure version of our website that we will be able to make available to people in prison.
- Securing funding from the HMPPS Digital Content Innovation Fund to enable us to develop free short courses for people in prison.
- Developing a process that enables our course suppliers to submit data on our learners to us digitally.

4) Using PET's standing to influence policy in order to achieve change and realise our vision

During 2023, PET worked to influence the development of policy on prison education, with a particular focus on the emerging plans for a new Prison Education Service.

During the year we responded to several select committee inquiries, highlighting the importance of education in running an effective prison system, the challenges of delivering high-quality education given the pressures that prisons are currently under, and how the situation could be improved. This included responding to the Justice Select Committee's inquiries into the future prison population and estate capacity and into the prison operational workforce. We also responded to the Welsh Affairs Committee's follow-up inquiry to its 2019 report on prison provision in Wales.

PET responded to a consultation by His Majesty's Inspector of Prisons (HMIP) on the criteria against which they inspect prisons holding adult men. Following PET's response and recommendation, they added "Prisoners are able to access digital technology and appropriate digital content to support their learning" to these expectations. We also responded to HMIP's 2023 Stakeholder Survey, highlighting the importance of their work on education.

We also spoke at a number of events, including at a meeting of the All-Party Parliamentary Group on Penal Affairs, at the launch of a new report from the Traveller Movement looking at the barriers that Romany Gypsies and Irish Travellers face in accessing purposeful activities in prison, and at the University and College Union's annual conference.

During 2023, PET featured widely in the media, including in The Times, FE Week, FE News, Inside Time, Wales Online, the South Wales Argus and Russell Webster's blog. PET's social media presence also enabled us to keep prison education on the public agenda. We continued to use X (formerly Twitter) as a way to promote our work, while our use of LinkedIn as a forum to raise issues and promote discussion among people with an interest in prison education increased.

The Prisoner Learning Alliance

PET has convened and provide the secretariat for the Prisoner Learning Alliance (PLA), an alliance of organisations and individuals committed to improving policy and practice in prison education, since it was launched in 2012. Early in 2023, recognising the need to prioritise how best to use our limited resources, PET's Board of Trustees decided to end PET's financial support for the PLA at the end of the year. The PLA subsequently closed in December 2023.

Despite this difficult decision, the PLA still had a busy year in 2023, as planned work was completed and ongoing projects were successfully wrapped up. This included publishing a guide for developing the curriculum in prisons, created by teachers and learners to support those working in prisons to offer a good range of high-quality formal and informal learning. The PLA also responded to three parliamentary select committee inquiries and an HMIP consultation, published a series of blogs, organised two successful webinars, and held a networking event for prison education staff in the Midlands. The PLA continued to host the Essential Skills and Inclusion Network, a forum for prison teachers and those supporting special educational needs and disabilities (SEND) work in prisons. PET will take over hosting this in 2024.

A closing event was held in December 2023 and the website has been preserved to ensure that the resources produced by the PLA remain available. At its closure at the end of 2023 the PLA had 50 organisational (full) members (2022: 46) and 402 individual associate members (2022: 337).

Key achievements during 2023

- Responding to inquiries by the Justice Select Committee and Welsh Affairs Committee, highlighting the importance of education provision for people in prison.
- Influencing an update of HMIP's "expectations" for prisons holding adult men, the criteria against which these prisons are inspected.
- Continuing to be the leading media and social media presence on prison education, with an extensive audience on X (formerly Twitter) and a growing LinkedIn profile.

5) Engaging with and involving people with lived experience of prison education, so that PET continues to put the learner at the centre of all that we do

PET has continued to ensure that people with lived experience of the prison system are at the heart of our work.

This included hosting our Alumni Advisory Group, which influences PET practice and policy and informs our work. During 2023 this group met regularly and contributed to the ongoing development of PET's work. In addition, five new members were recruited to join the group, expanding its capacity and range of experience. With these new members in place, the group began a new project to collect and publish the experiences of people who have lived experience of prison education.

The work of the Alumni Advisory Group during 2023 also included the development of PET's new project to extend our reach and develop the support that we offer. This project, funded by TNLCF and mentioned above, has lived experience at its heart and was co-created with the Alumni Advisory Group from the outset.

An important element of this project involves the recruitment of six people with lived experience as Lived Experience Consultants, to contribute to the project's delivery. This recruitment took place during 2023 and the Lived Experience Consultants are already making a significant contribution to this work. This will be augmented during 2024 by the recruitment of a new Lived Experience Co-ordinator role to further develop PET's work in this area.

Members of the Alumni Advisory Group also sit on our Strategy Focus Group, which is made up of staff and alumni and supports and guides the implementation of our organisational strategy. It continued to meet throughout 2023, providing invaluable insight on our work. A member of the Alumni Advisory Group also sits on our Quality Assurance Panel, which oversees our application process.

People with lived experience of the prison system and prison education also sit on our Board of Trustees. In addition, we continue to run our Trustee Development Programme, which provides people with lived experience of the justice system with an opportunity to gain the necessary experience to become a trustee in the future. There was one person on the programme during 2023 (2022: 1).

Key achievements during 2023

- Recruiting five new members of the Alumni Advisory Group to broaden its membership and increase its capacity.
- Securing funding from TNLCF for a project that we had co-created with members of the Alumni Advisory Group.
- Recruiting Lived Experience Consultants to play a key role in this new project, ensuring that their experience and insight is central to its design and delivery.

6) Putting equality, diversity and inclusion at the heart of our work, to ensure that fairness is central to everything that we do

PET is committed to embedding equality, diversity and inclusion (EDI) into every aspect of our work.

During 2023 we refreshed our EDI Committee, which now has both staff and trustees as members. This relaunched committee started meeting in 2023 and developed a new EDI workplan for the organisation, ensuring that our work on EDI is aligned with our identified EDI priorities and our broader organisational strategy. Implementation of this workplan will begin in 2024.

As with previous years, we continued to scrutinise the EDI data collected through our application process, identifying the communities that were underrepresented among those applying to PET and among those that we funded. A session is held annually to review this data, attended by the Board of Trustees and PET's Senior Management Team.

We also continued to develop our new approach to recruitment, which is anonymous and relies on responses to questions rather than CVs to select candidates. This approach is intended to be fairer as it increases accessibility and reduces unconscious bias, and feedback from the recruitment processes that we have run has been positive.

Key achievements during 2023

- Relaunching a refreshed EDI Committee, with both staff and trustees as members.
- Developing and agreeing a new EDI workplan for PET to guide our work in this area over the next three years.
- Continuing to use the EDI data that we collect from the people who access PET's services to inform the future development of our work.

7) Ensuring that PET is a well-run, effective and financially sustainable organisation, built on firm foundations and fit for the future

Fundraising

Effective fundraising is essential to enabling PET to fulfil our objectives as a charity and is always a priority for the organisation. The fundraising environment in 2023 remained extremely challenging, with ongoing high levels of inflation having a continuing impact on the cost of living. This put pressure on our funders and undoubtedly had an impact on the income that we were able to secure. Despite these pressures, we raised £1.62m in 2023 (2022: £1.43m), a significant achievement in the circumstances.

We are, as always, immensely grateful for the generosity of our existing funders who continued to support us and to the significant number of new funders who supported us for the first time in 2023. We could not do what we do, providing educational

opportunities to people in prison, without their support. A list of our major supporters can be found in Notes 2 and 3 of the accounts.

Events and supporter engagement

During 2023 we held one in person event for our supporters, hosted for us by a member of our Board of Trustees at the Royal Academy of Music in London. This event was attended by current and new supporters and launched our annual Big Give campaign, which this year raised in excess of £41,000 (2022: £29,730). In addition, PET continued to produce regular newsletters for our supporters, providing updates on our work and sharing learners' stories.

Staffing

PET's hybrid working model is now well-embedded, with most staff working from home for the majority of the time while also spending some time in PET's offices in London and Cardiff. Regular awaydays enable the whole staff team to come together in person. This continued to work well during 2023, with PET's staff survey showing high levels of satisfaction with our approach to flexible working. This approach also enabled us to reduce our costs by moving to a smaller office during 2023.

During 2023, PET continued to respond to the challenging fundraising environment and the impact of high levels of inflation by managing PET's costs. As mentioned above, this included closing the PLA at the end of 2023 and this impacted on the staff team. Changes were also made in the Communications and A2L teams. However, new funding to support the development of digital resources enabled us to recruit two new members of staff to support this work.

In line with PET's staff remuneration policy (see page 19 for more details), a full review of staff pay was carried out during 2023 by an external expert and staff salaries were adjusted accordingly. This process was overseen by the Remuneration Committee, which makes recommendations on pay and benefits to the Board of Trustees.

Information technology

During 2023, we moved to a new IT support provider and a new IT system based on Microsoft SharePoint. This modernised our IT infrastructure and provided a more efficient working environment for PET's staff. We also continued to develop our Salesforce database, used to manage our service delivery, and our supporter relationship management system, Beacon.

Safeguarding

PET continues to take a robust approach to safeguarding, with comprehensive safeguarding policies and procedures in place. During 2023, Vicki Morris continued to act as the trustee with responsibility for overseeing our work on safeguarding.

Data protection

Data protection continued to be a priority for PET during 2023, with robust systems in place to ensure the appropriate management of the data that we hold. We intend to update our Data Audit during 2024 to ensure that we continue to be compliant with the UK GDPR.

Key achievements during 2023

- Raising £1.62m, more than we raised during 2022 despite the challenging financial environment.
- Raising more than £41,000 via our annual Big Give campaign, a 39% increase on the previous year.
- Moving to a new IT system, providing a more flexible and efficient digital working environment for staff.

Our plans for 2024

During 2024, PET will continue to implement the aims of our organisational strategy. Priorities will include:

- Maintaining a high-quality service to learners in prison by providing information, advice and guidance, assessing applications for distance learning courses, and supporting successful applicants to complete their courses
- Successfully delivering the first full year of our TNLCF project to reach and support more learners in prison
- Producing new digital content and promoting its use in prisons, including that funded through the HMPPS Digital Innovation Fund
- Influencing prison education policy as the new Prison Education Service develops and around the forthcoming general election
- Raising sufficient funding to deliver our objectives for the year while maintaining appropriate levels of reserves

We will also continue to invest in our staff team, with a particular focus on supporting wellbeing and providing training opportunities to support development. Retaining staff and ensuring that they are appropriately supported is, as always, a key priority for the Board of Trustees.

Given the economic environment and consequent increasing costs and challenges for fundraising, we expect that 2024 will be another challenging year for charities financially. Responding to this challenging climate, PET took steps during 2023 to reduce our running costs and ensure that we move towards a stronger financial position. The Board of Trustees and Senior Management Team will continue to take a firm approach to financial management during 2024 to ensure that PET continues to improve its financial position.

FINANCIAL REVIEW

The results of the year's operations are set out in the attached financial statements. The total retained reserves at 31 December 2023 amounted to £699,158 (2022: £702,351), of which £409,571 (2022: £537,539) were unrestricted.

Income for the year ended 31 December 2023 totalled £1,631,356 compared with £1,433,023 for 2022. As noted above on page 14, the trustees are very satisfied with the level of income raised in 2023 given the challenging fundraising environment.

In 2023 PET received £837,806 from charitable trusts and corporate institutions (2022: £697,259); £443,511 from government sources (2022: £471,534) of which £409,943 was government grants; £147,138 from individuals, including Gift Aid and legacies (2022: £191,520); £163,140 of income from charitable activities (2022: £10,000); £7,644 from fundraising events (2022: £3,969); £15,715 from investment income (2022: £6,959); and £nil income from donated goods and services (2022: £nil).

PET spent £1,634,477 in 2023, a decrease of £159,824 from £1,794,301 in 2022. Overall there was a net deficit on unrestricted funds of £127,968, decreasing unrestricted funds from £537,539 to £409,571. Restricted funds increased from £164,812 to £289,587 as funds secured in prior years were spent down, but replenished by significant new grants.

The established pattern of the charity's fundraising activities is such that voluntary income will be available from a diverse range of trusts and individual donors at stepped intervals throughout the next 12 months, enabling the charity to manage cashflow effectively.

The trustees have considered and agreed that it is appropriate to prepare these annual financial statements on a going concern basis. They are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the date of approval.

The trustees consider PET well-placed to further continue and develop its activities as a going concern through its fundraising efforts and close liaison with significant funders such as HMPPS. PET's current HMPPS multi-year grant agreement will come to an end in March 2025, but HMPPS has confirmed that it will renew this grant agreement.

The trustees are also confident that sensitivity analysis demonstrates that PET will continue to be able to support a satisfactory number of learners even if income from grant-making trusts and individuals is further adversely affected by ongoing difficult economic conditions in 2024.

Reserves policy

The trustees review the level of free reserves at every Board meeting. In addition to this, at least twice each year the trustees review the free reserves requirement and reserves policy to ensure it is adequate to meet PET's needs.

The calculation takes account of the minimum funds we would need for an orderly wind-down of activities if the charity was required to cease operating at short notice, the working capital we would require to continue our charitable delivery in the event of a significant gap or drop in income or reduction in levels of unrestricted funding, and our need to hold some funds to invest in new streams of charitable delivery before we are able to fundraise for their full costs. This excludes direct expenditure to support learners from restricted funding.

Given that most of PET's income is dependent upon successful fundraising activity and is therefore subject to unpredictable fluctuation, and given the uncertain fundraising environment all charities face in the current economic environment, PET needed to retain a healthy level of free reserves during 2023. However, PET's Board of Trustees also recognised the need to support the delivery of PET's key activities, ensuring that PET continued to use its resources to support as many learners as possible to access distance learning.

On this basis, the Board of Trustees determined that PET's free reserves requirement at 31 December 2023 should be £418,000 (2022: £480,000). This was lower than in 2022, reflecting changes that were made in 2023 to reduce PET's running costs. As at 31 December 2023 PET had free reserves available for use of £386,445 (2022: £495,626). Free reserves are calculated as unrestricted funds of £409,571 less £23,126 tied up in fixed assets. Although free reserves were below target for 2023, they remained in excess of the estimated costs of an orderly wind-down of activities.

Looking ahead to 2024, the trustees set an initial free reserves target for the year of £376,000. This reflects PET's reduced cost base and recognises the need to retain a sensible and prudent level of reserves but also to use available funds to support our charitable activities. This assumption will be kept under review during the year.

The Board has also agreed to continue the close monthly monitoring and review of the forecast free reserves position which has been in place since 2019. This involves the Chair and Honorary Treasurer informing the Board if at any point outside of Board meetings factors are identified that might cause free reserves to drop below the level required to manage an orderly wind-down of its activities.

Fundraising

The Board takes a best practice approach to fundraising. The Head of Fundraising and External Affairs reports to the Board on fundraising performance, strategy, legal and best practice developments at every Board meeting. The Board's Fundraising Committee meets with the Head of Fundraising and External Affairs, Chief Executive, and Head of Finance six times per year. At these meetings, the Committee reviews the fundraising business plan to provide further assurance over the appropriateness and effectiveness of our fundraising practices.

The Head of Fundraising and External Affairs is responsible for keeping up-to-date with best practice, ensuring the training and support of the team, and complying with fundraising regulations. The Board also undertakes formal and informal fundraising

training on an ad hoc basis to ensure that staff and volunteers are sufficiently trained and informed of their legal responsibilities.

PET is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, undertaking regular reviews of the Code. PET is also registered with the Fundraising Preference Service. PET has a policy of not engaging agencies or commercial organisations.

We protect vulnerable donors through our Vulnerable Donors Policy. This involves upholding strong data protection controls over our supporter data; avoiding intrusive forms of fundraising such as telephone and door-to-door approaches; limiting our postal and email correspondence; and noting and adhering to supporter contact preferences. During 2023, three minor complaints were received regarding fundraising and responded to (2022: 2).

Staff remuneration policy

PET is hugely grateful for the commitment and enthusiasm of our staff. We believe that it is essential to attract and retain staff with the appropriate skills and capabilities, and reward them fairly for delivering PET's important work. It is therefore important to pay staff properly, while also having prudent regard to the use of charitable resources. In order to do this, PET reviews our salaries and overall rewards packages (including those of our key management personnel) on a biennial basis using a professional job evaluation methodology to consider salaries in relation to the charity sector for the job levels concerned. Additionally, between salary reviews, the Trustees may complete discretionary annual reviews, taking account of (while not being constrained by) the movement of pay and prices and other relevant factors. In this they are supported by a formal Remuneration Committee.

Risk management

The trustees regularly review, assess and ensure the implementation of systems to manage the major risks to which PET is exposed, in particular operational and financial risks. They review any material changes in risks at each Board meeting, with the assistance of the Chief Executive.

The Board also complete a biannual risk review, once as part of the approval of PET's plans for the forthcoming year and again at the mid-year point. This is to ensure that adequate plans and procedures are in place to mitigate the key risks to which PET is exposed. During 2023 the approach taken to assessing risks and the format of PET's risk register was reviewed and updated to ensure it remained in line with best practice.

The Board and executive team have collectively assessed the principal risks to which the charity is exposed (based on their combined probability and impact) as that:

- Demand for distance learning courses from people in prison cannot be met with the resources that PET has available.
- Staffing shortages in prisons limit the capacity of prison staff to support people in prison to access distance learning.
- The challenging economic environment reduces the availability of charitable funding for PET, particularly from individuals, while continuing to increase PET's costs.
- PET fails to meet the fundraising targets that have been set for 2024, using up more of our reserves than planned.
- There is insufficient capacity in the staff team to deliver PET's workplan.
- Staff stress levels are unacceptably high, affecting productivity and wellbeing.

The risk register identifies the key management actions to mitigate these risks. PET's Senior Management Team also considers monthly what new risks have emerged and what needs to be done to address them, ensuring that new risks are identified promptly. Clear procedures are in place for the authorisation of expenditure in order to manage internal control risks.

STRUCTURE

PET is a charitable company, incorporated on 29 December 2000. It acquired the assets and undertaking, subject to liabilities, of Prisoners' Education Trust, a charitable trust, with effect from 1 January 2001. That trust, which had been established by a deed dated 19 April 1989, was formally wound up in 2003. PET is registered as a charitable company limited by guarantee and is governed by its memorandum and articles of association. PET has no share capital or debentures. In the event of PET being wound up each member is required to contribute an amount not exceeding £10.

GOVERNANCE AND MANAGEMENT

PET is governed by a Board of Trustees. The Board is responsible for establishing the strategic direction of PET. The Board delegates responsibility to the Senior Management Team, through the Chief Executive, to execute the day-to-day operations of PET in accordance with the policies, procedures and budgets approved by the Board. Details of those serving on the Board during the year and those serving currently are shown on page 1.

Following changes to PET's Articles of Association, agreed at an EGM in July 2021, trustees now serve four-year terms and are limited to a maximum of two terms other than in exceptional circumstances. Some additional changes were made to the Articles of Association at an EGM in March 2024 to clarify term limits for an existing trustee who is appointed Chair and to specify that once somebody has served two terms they can never be reappointed to the Board.

The Board meets six times a year, in addition to its annual awayday. With the arrival of a new Chair, the Board intends to review the frequency of its meetings during 2024 to ensure effective and efficient governance and appropriate use of staff capacity.

The Chair also conducts an annual review meeting with each trustee, collating the key themes to share back with the Board. This informs Board development priorities and improves performance. The Deputy Chair also carries out an annual appraisal of the Chair, actively seeking input from trustees and the Chief Executive to inform this.

The Board has continued to have regard to the Charity Governance Code (as applied to larger charities). At the end of 2023 no serving trustee had exceeded the recommended maximum in the Code of nine years.

The Board considers it important to maintain a balance of skills in its membership and has a well-established Nominations Committee that undertakes trustee recruitment and induction. During the latter half of 2023, the Nominations Committee led the recruitment of a new Chair on behalf of the Board of Trustees.

Alongside the Nominations Committee, the Board currently has four further committees, the Equality, Diversity and Inclusion Committee, the Fundraising Committee, the Remuneration Committee and the Quality Assurance Panel. They continued to meet as needed during 2023. It is anticipated that the current committee structure will be reviewed during 2024.

PET also continued to run a Trustee Development Programme during 2023, which provides people with lived experience of the justice system with the opportunity to gain the necessary experience to become a trustee in the future. During the year it had one participant (2022: 1).

Chair of the Board of Trustees

As noted in last year's annual report, in July 2023 Elisabeth Davies stepped down from the role of Chair of the Board of Trustees of PET, having been appointed to a new role as the National Chair of the Independent Monitoring Boards, responsible for the independent monitoring of prisons, YOIs and places of immigration detention. PET is extremely grateful to Elisabeth for the huge contribution that she made to our work. Richard Ward was appointed to act as Chair on an interim basis until a permanent successor was appointed. Following a rigorous recruitment process, Paul Kelly was appointed as PET's new Chair and took up the role on 31 January 2024.

Further changes to the Board of Trustees

During 2023, two longstanding PET trustees - Hilary Cross and Catherine Dawkins - stood down from the Board of Trustees, having completed their second and final terms. As Deputy Chair and Honorary Treasurer respectively, both made a substantial contribution in their time on the Board and we are very grateful for all that they did for PET.

Early in 2024, two further trustees stood down from the board - Mandeep Mahil, who had completed her first term and decided not to put herself forward for a second, and Lewis Owens. PET would like to thank them both for their hard work and for all that they contributed to our achievements.

The Board of Trustees will review its membership in 2024 and decide what future recruitment may be needed.

Relationship to the Prisoner Learning Alliance

PET provided the secretariat for the Prisoner Learning Alliance (PLA), of which it was also a member. The work of the PLA was overseen by a steering committee, of which the Chief Executive of PET was an ex-officio member, but the PLA was an informal grouping of organisations with no separate legal identity. PET secured funding to convene the PLA. As noted above, during 2023 PET's Board of Trustees considered its relationship with the PLA, given competing demands for funding. A decision was made to end PET's long term financial support for the PLA and the PLA subsequently closed in December 2023.

RESPONSIBILITIES STATEMENT OF THE TRUSTEES

The trustees (who are the directors of PET for the purposes of company law) are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom General 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis (unless it is inappropriate to presume that the charitable company 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 PET, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of PET, for ensuring that the assets are properly applied in accordance with charity law, and for taking reasonable steps for the detection and prevention of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on PET's website. Legislation in the United Kingdom

governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that PET's auditors are aware of that information.

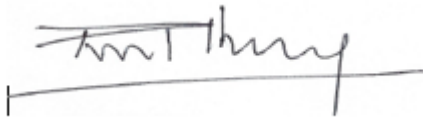
Preparation of the report

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Auditors

The auditors, Price Bailey LLP, have been appointed under Section 485 of the Companies Act 2006.

This report was approved and authorised for issue by the Board of Trustees on 7th June 2024 and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'Paul Kelly', written over a horizontal line.

.....
Paul Kelly
Chair of Trustees

Independent auditor's report to the members of Prisoners' Education Trust

Opinion

We have audited the financial statements of Prisoners' Education Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities incorporating the Income and Expenditure account, the Charitable Company Balance Sheet, the Statement of Cash Flows and the related 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 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 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis 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 charitable company'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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the trustees' report and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006, and Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and making enquiries of management and officers of the Charitable Company.

To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is the 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 involved intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

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.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

24 Old Bond Street

London

W1S 4AP

11 June 2024

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
For the year ended 31 December 2023

	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	2023	2022
				£	£
INCOME AND ENDOWMENTS FROM:					
Donations and Legacies	2	514,879	470,065	984,944	888,779
Charitable Activities:					
Access to Learning	3	-	443,511	443,511	471,534
Engagement and Development	3	-	129,572	129,572	
Policy and Research	3	-	-	-	10,000
Other Trading activities	4	7,644	-	7,644	3,969
Investments		15,715	-	15,715	6,959
Prison Contributions		-	49,970	49,970	51,782
TOTAL INCOME AND ENDOWMENTS		538,238	1,093,118	1,631,356	1,433,023
EXPENDITURE ON:					
Raising funds		321,275	-	321,275	310,837
Charitable Activities:					
Service Delivery including Access to Learning		232,313	965,009	1,197,322	1,302,570
Policy and Research		112,546	3,334	115,880	180,894
Charitable Activities		344,859	968,343	1,313,202	1,483,464
TOTAL EXPENDITURE	5	666,134	968,343	1,634,477	1,794,301
Net Income/(Expenditure)		(127,896)	124,775	(3,121)	(361,278)
Gain/(Losses) on Investment		(72)	-	(72)	(1,527)
Transfers between Funds		0	-	-	-
NET MOVEMENT IN FUNDS		(127,968)	124,775	(3,193)	(362,805)
RECONCILIATION OF FUNDS:					
Total Funds Brought Forward		537,539	164,812	702,351	1,065,156
TOTAL FUNDS CARRIED FORWARD		409,571	289,587	699,158	702,351

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure relates to continuing activities.

The annexed notes form part of these financial statements.

PRISONERS' EDUCATION TRUST

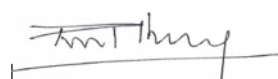
BALANCE SHEET

As at 31 December 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Intangible fixed assets	8a	10,930	25,885
Tangible fixed assets	8b	12,196	16,028
Investments	9	20,817	20,889
		43,943	62,802
CURRENT ASSETS			
Debtors	10	294,659	206,074
Cash at bank and in hand		472,382	571,584
		767,041	777,658
LIABILITIES			
Creditors: amounts falling due within one year	11	(111,826)	(138,109)
NET CURRENT ASSETS / (LIABILITIES)		655,215	639,549
TOTAL NET ASSETS		699,158	702,351
TOTAL FUNDS OF THE CHARITY:			
Restricted funds	12	289,587	164,812
Unrestricted funds	12	409,571	537,539
		699,158	702,351

The annexed notes form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies. They were approved and authorised for issue by the trustees on 7th June 2024 and signed on their behalf by:



.....
Paul Kelly
Chair of Trustees

Company limited by guarantee no. 04132595 & registered charity no. 1084718.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	2023	2022
	£	£
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities (see below)	(111,643)	(216,506)
Cash flows from investing activities:		
Interest income	15,715	6,959
Investment income	(72)	(1,527)
Purchase of property, plant and equipment	(3,202)	(4,581)
Net cash provided by / (used in) investing activities	12,441	851
Change in cash and cash equivalents in the reporting period	(99,202)	(215,655)
Cash and cash equivalents at the beginning of the reporting period	571,584	787,239
Cash and cash equivalents at the end of the reporting period	472,382	571,584

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

	2023	2022
	£	£
Net income / (expenditure) for the reporting period (as per the SOFA)	(3,121)	(361,278)
Adjustments for:		
Depreciation charges	21,989	21,430
Interest income	(15,715)	(6,959)
Investment	72	1,527
Decrease / (increase) in debtors	(88,585)	120,543
Increase / (decrease) in creditors	(26,283)	8,231
Net cash provided by / (used in) operating activities (see above)	(111,643)	(216,506)

ANALYSIS OF CASH AND CASH EQUIVALENT

	2023	2022
	£	£
Cash in hand	129,960	94,312
Notice deposits (less than 3 months)	342,422	477,272
	472,382	571,584

The statement of cash flows includes the movement in cash balances of unrestricted funds and restricted funds. The charity does not hold any endowment funds.

The annexed notes form part of these financial statements.

STATEMENT OF CASH FLOWS
For the year ended 31 December 2023

Analysis of change in net debt

	2023	2022
	£	£
Cash & cash equivalent as at 01/01/2023	571,584	787,239
Cashflows	(99,202)	(215,655)
Other non cash changes	-	-
Cash & cash equivalent as at 31/12/2023	472,382	571,584

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

1. ACCOUNTING POLICIES

PET is a charitable company limited by guarantee and incorporated in England and Wales. The charity's registered office is The Foundry, 17 Oval Way, London, SE11 5RR.

The principal accounting policies adopted, judgements and estimates made in the preparation of the financial statements are as follows:

Basis of preparation of financial statements

PET meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared 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) (second edition - effective from January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006. As there are no material uncertainties about the charity's ability to continue operating, the accounts have been prepared on a going concern basis.

The financial statements are prepared in Sterling, which is the functional currency of the charity and the financial statements are rounded to the nearest pound.

The effects of events relating to the year ended 31 December 2023 which occurred before the date of approval of the financial statements by the trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2023 and the results for the year ended on that date. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

The trustees have assessed the charity's requirements for the foreseeable future and are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the date of approval of these financial statements. PET implemented a number of cost-saving measures in 2023 that will take full effect in 2024 and enable the charity to operate on a more financially sustainable basis. HMPPS have confirmed that they will renew their major grant for at least one year from 1 April 2025 and, although the charity anticipates some continuing challenges in the fundraising environment in 2024, the trustees are satisfied that the charity will still be able to maintain a sufficiently strong income pipeline, reinforced by the current level of free reserves, for the charity to continue implementing its strategy for 2022-2026. The trustees are also confident that sensitivity analysis demonstrates that PET will continue to be able to support a satisfactory number of learners even if the HMPPS grant ceases unexpectedly. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern as a result of not being able to raise further funds.

Income

Income is included in the Statement of Financial Activities when PET is legally entitled to the income, it is probable that the income will be received, and the amount can be measured reliably. Grants are accounted for in the period specified for their use by donors or, where there is no time restriction, when conditions have been met and entitlement has been gained. Where the charity receives government grants, it recognises the income only where there is reasonable assurance that the charity will comply with the conditions attaching to the grants, and that they will be received.

Legacy income is recognised when it is probable that a legacy will be received (when probate has been granted, the executors have confirmed that there are sufficient assets to make a distribution, and there are no other conditions preventing a distribution), and the amount receivable can be reliably measured. Income tax recoverable in relation to investment income or Gift Aid donations is recognised at the time the relevant income is receivable.

Donated services include venue use, catering for meetings and events, and research services. Facilities and services donated for PET's use, where the benefit is quantifiable, are recognised in the financial statements as both income and expenditure, at the value the charity would have paid in the open market for an equivalent economic benefit in the period in which they are received. Donated goods for distribution are recognised as income (or stock if not yet distributed) and expenditure at fair value, or if fair value is not practicably obtained, at the cost to the donor. Ticketed fundraising event income is recognised when the event has taken place and entitlement has thus been gained. All other income is accounted for on the accruals basis. See also note 14 for the contribution of volunteers.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Expenditure on raising funds comprises the costs associated with generating income. Support and governance costs, which cannot be directly attributed to particular activities, have been apportioned proportionately based on the activity levels of different charitable activities, and their relative demands on central resources.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

Expenditure (continued)

Grants awarded are recorded as liabilities and expenditure recognised in the Statement of Financial Activities when the award has been approved, as a constructive obligation has been formed. Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of PET and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by PET for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is detailed in Note 12.

Fixed assets, depreciation and amortisation

All individual assets costing more than £500 are capitalised. Individual assets costing below £500 are capitalised where they form part of a packaged asset with a total value over £500.

Tangible assets are depreciated over their expected useful lives on the following bases:

Furniture/fittings	-	10 years
Office & IT equipment	-	5 years

Intangible assets are amortised over their expected useful lives on the following bases:

Website	-	5 years
Database	-	5 years

Cash

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.

Pensions

PET contributes employer contributions towards a Pensions Auto-enrolment compliant group personal pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

Financial instruments

The charity only has basic financial instruments; they are initially recognised at transaction value and subsequently measured at their settlement value. Cash and deposits are measured at the cash value held at the reporting date. All debtors and creditors are initially measured at the settlement amount after any discounts (under normal credit terms) have been applied; if settlement is due in more than one year, the value is included at discounted net present value.

Taxation

PET has charitable status and is thus exempt from taxation on its income under various exemptions available in the Taxes Acts.

Key judgements and estimation policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The trustees made estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related outcome.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

2. INCOME FROM DONATION AND LEGACIES

Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
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Institutions who granted or donated £5,000 or more:

The 29th May 1961 Charitable Trust	12,000	-	12,000	12,000	-	12,000
ABF The Soldiers' Charity	-	20,000	20,000	-	20,444	20,444
Adrian Swire Charitable Trust	20,000	-	20,000	20,000	-	20,000
The Banham Charitable Foundation	-	-	-	-	10,000	10,000
Beatrice Laing Trust	-	5,000	5,000	-	5,000	5,000
The Bromley Trust	20,000	-	20,000	20,000	-	20,000
The Brook Trust	-	20,000	20,000	-	20,000	20,000
Cambridgeshire Community Foundation	-	6,550	6,550	-	-	-
The Carr-Gregory Trust *	-	5,000	5,000	10,000	-	10,000
Charles S French Charitable Trust	-	5,000	5,000	-	-	-
Charles Hayward Foundation	-	15,000	15,000	-	15,000	15,000
The Cherry Family Foundation	-	-	-	-	14,475	14,475
City & Metropolitan Welfare Charity	-	-	-	-	5,000	5,000
Colyer-Fergusson Charitable Trust	-	8,250	8,250	-	8,250	8,250
The Constance Travis Charitable Trust	50,000	-	50,000	50,000	-	50,000
Drapers' Charitable Fund	25,000	-	25,000	25,000	-	25,000
The Dulverton Trust	35,000	-	35,000	35,000	-	35,000
Edward Cadbury Charitable Trust	-	-	-	-	5,000	5,000
Evan Cornish Foundation	-	-	-	-	10,422	10,422
The February Foundation	-	5,000	5,000	-	-	-
Fishmongers' Company's Charitable Trust	-	30,000	30,000	-	30,000	30,000
Garfield Weston Foundation	-	64,000	64,000	-	-	-
The Goldcrest Charitable Trust	5,000	-	5,000	-	-	-
The Goldsmiths' Company Charity	33,000	-	33,000	30,000	-	30,000
Haddenham Healthcare Ltd	-	-	-	5,000	-	5,000
The Hadley Trust	35,000	-	35,000	35,000	-	35,000
The Henry C Hoare Charitable Trust	-	-	-	5,000	-	5,000
The Horlock Educational Trust	-	10,000	10,000	-	10,000	10,000
Inner London Magistrates' Courts' Poor Box & Feeder Charity	-	5,000	5,000	-	-	-
Jill & Norman Franklin Trust	-	11,400	11,400	-	9,600	9,600
John Armitage Charitable Trust	60,000	-	60,000	60,000	-	60,000
The John R Murray Charitable Trust	15,000	-	15,000	-	-	-
The Lawson Trust	-	-	-	-	5,000	5,000
London North Eastern Railways (LNER)	-	26,055	26,055	-	-	-
The Lord Belstead Charitable Trust	-	-	-	-	5,000	5,000
Monday Charitable Trust *	-	-	-	-	6,115	6,115
The Nagle Family Foundation	-	10,000	10,000	-	10,000	10,000
Northern Consortium	-	19,650	19,650	-	-	-
The Peacock Charitable Trust	10,000	-	10,000	8,000	-	8,000
Police and Crime Commissioner for South Yorkshire	-	12,386	12,386	-	-	-
The Portal Trust	-	9,696	9,696	-	5,380	5,380
PPL	-	-	-	5,000	-	5,000
The Robert Gavron Charitable Trust	-	-	-	-	5,000	5,000
The Shears Foundation	-	-	-	-	10,000	10,000
Singer Foundation	-	-	-	-	10,422	10,422
Sir James Knott Trust	-	6,550	6,550	-	-	-
Society of the Holy Child Jesus CIO	20,000	-	20,000	-	-	-
The Susanna Peake Charitable Trust	-	5,000	5,000	-	5,000	5,000
The Taylor Family Foundation	-	20,000	20,000	-	22,000	22,000
The Thriplow Charitable Trust	-	5,000	5,000	-	-	-
The Vandervell Foundation	5,000	-	5,000	5,000	-	5,000
Van Neste Foundation	-	-	-	-	10,000	10,000
The Veterans' Foundation	-	16,375	16,375	-	-	-
William Harding's Charity	-	5,790	5,790	-	-	-
Other donations from institutions	60,834	85,270	146,104	30,148	85,003	115,151

Individuals who donated £5,000 or more:

David Knowles *	-	-	-	-	6,000	6,000
Overlandon	-	-	-	10,000	-	10,000
Other donations from individuals	72,549	38,093	110,642	90,763	25,545	116,308

Legacies of £5,000 or more:

The Estate of Mrs Ruth Angela Lucy West	16,000	-	16,000	-	-	-
Other legacy income	20,496	-	20,496	59,212	-	59,212

514,879	470,065	984,944	515,123	373,656	888,779
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

2. INCOME FROM DONATION AND LEGACIES (continued)

In addition to the amounts disclosed above, trusts and individuals marked with an asterisk also kindly donated to the 2023 Big Give Christmas Challenge.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2023 £	2023 £	2023 £	2022 £
Access to Learning Grants:				
HMPPS England	-	391,990	391,990	453,578
HMPPS Wales	-	17,953	17,953	17,956
	-	409,943	409,943	471,534
Digitisation				
HMPPS Digital Funding	-	33,568	33,568	-
Engagement and Development				
The National Lottery Community Fund	-	82,245	82,245	-
The Moondance Foundation		35,690	35,690	
The Waterloo Foundation		11,637	11,637	
Policy and Research grants:				
Texel Foundation	-	-	-	10,000
	-	573,083	573,083	481,534

All funds received in 2023 were restricted (2022: all restricted). Included within Income from Charitable Activities are total government grants of £409,943 (2022: £471,534). The total value of the grant received has been recognised in year.

For a description of the nature and purpose of material government grants see Note 12.

There are no unfulfilled conditions or contingencies attaching to the grants which have been recognised as income, and no other material sources of government assistance were received (2022: the same).

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2023 £	2023 £	2023 £	2022 £
Fundraising events	7,644	-	7,644	3,969
	7,644	-	7,644	3,969

In 2023 all income from other trading activities was unrestricted (2022: all unrestricted).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

5. EXPENDITURE

Support staff costs have been allocated based on an estimate of the percentage of time staff spent supporting the activity; office costs have been apportioned based on an estimate of relative usage of these central resources. Premises costs have been allocated across projects based on staff numbers. Support costs are analysed overleaf:

Grant funding of activities	Staff costs	Activities undertaken directly	Support costs	Total	Total
2023 £	2023 £	2023 £	2023 £	2023 £	2022 £
Access to Learning Grants:					
Access to Learning	512,750	470,511	22,039	192,022	1,197,322
Policy and Research	-	77,043	6,528	32,309	115,880
Total expenditure on charitable activities	512,750	547,554	28,567	224,331	1,313,202
					1,483,464
Raising funds	-	212,786	9,728	98,761	321,275
Support and governance		140,919	182,173	(323,092)	-
	512,750	901,259	220,468	-	1,634,477
					1,794,301

Prior Year

Grant funding of activities	Staff costs	Activities undertaken directly	Support costs	Total
2022 £	2022 £	2022 £	2022 £	2022 £
Access to Learning Grants:				
Access to Learning	600,768	500,442	26,271	175,089
Policy and Research	-	141,772	6,676	32,446
Total expenditure on charitable activities	600,768	642,214	32,947	207,535
				1,483,464
Raising funds	-	221,572	11,139	78,126
Support and governance		123,828	161,833	(285,661)
	600,768	987,614	205,919	-
				1,794,301

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

Analysis of support costs

	Total 2023 £	Total 2022 £
Support staff costs	123,321	101,458
Rent, service charge and rates	38,268	70,576
Other premises costs	9,008	1,499
Insurance	6,170	4,303
Computer and IT costs	41,139	30,295
Bank charges	1,017	1,135
Postage, photocopier and telephone	12,586	11,344
Printing and stationery	1,983	2,838
Legal and professional fees	20,499	4,076
Depreciation	21,989	21,430
Other support costs	13,107	3,665
Governance staff costs	17,598	22,370
Other governance costs	16,407	10,672
	34,005	33,042
	323,092	285,661

Expenditure includes:

	2023 £	2022 £
Auditors' remuneration:		
Audit fee excluding VAT	10,500	9,350
Irrecoverable VAT on audit fee	2,100	1,870
Operating lease rentals - Land and buildings	36,677	57,175
- Plant and equipment	1,618	1,649
Depreciation on owned assets	21,989	21,430

Grant funding includes grants payable for Open University, other accredited and unaccredited distance learning courses, and small grants for other educational materials. All grants are made to acquire courses and materials for individuals, and have been analysed below:

	2023 £	2022 £
Open University courses	42,654	79,092
General education courses	470,096	521,676
	512,750	600,768

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. STAFF NUMBERS AND COSTS

	2023	2022
	£	£
Wages and salaries	781,374	844,217
Social security costs	77,645	88,147
Defined contribution pension costs	39,362	41,730
Other staff costs	2,878	6,157
Agency staff and consultants	-	7,363
	901,259	987,614

The average monthly number of employees, calculated as full-time equivalents (FTE), during the period was:

	2023	2022
	FTE	FTE
Raising funds	4.5	5.0
Access to Learning	9.8	11.5
Policy and Research	1.6	2.3
Governance	0.4	0.3
Support	2.6	1.8
	18.9	20.9

The average monthly number of employees, calculated as average head count (AHC), during the period was:

	2023	2022
	AHC	AHC
Raising funds	5.1	5.6
Access to Learning	11.3	11.6
Policy and Research	1.8	2.5
Governance	0.4	0.3
Support	3.0	1.8
	21.6	21.8

One employee received employee benefits (including employer's National Insurance contributions and employer's pension contributions) in the range of £100,000 - £105,000 and two received employee benefits in the range of £60,000 - £70,000. Employee benefits include pension contributions of 5% of total earnings were also payable (2022: 5%). The key management personnel of PET received earnings and benefits (including employer

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

pension contributions of 5% of total earnings totalling £289,789 (2022: £377,963). The number of key management personnel was 4 (2022: 5), being the Chief Executive and three Heads of Departments. The FTE number of key management personnel staff members were 3.8 (2022: 5).

Pensions - defined contribution scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £39,362 (2022: £41,730). Contributions totalling £nil (2022: £nil) were payable to the fund at the balance sheet date and are included in creditors.

7. TRUSTEE TRANSACTIONS AND RELATED PARTIES

During the year, no trustee received any remuneration (2022: £nil). Trustees received reimbursement of travel expenses to attend trustee meetings of £516 (2022: £236). The charity received £1,964 in donations on usual terms from its trustees, key management personnel, their close family members and entities over which they have significant interest or effective control during the period (2022: £3,315). Total expenses incurred by the trustees in the furtherance of their duties but not reclaimed from the charity were immaterial in 2023 and 2022. There is no ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

8a. INTANGIBLE FIXED ASSETS

	Website £	Database £	Total 2023 £	Total 2022 £
COST				
Opening balance 1 January 2023	36,048	38,726	74,774	74,774
Additions	-	-	-	-
At 31 December 2023	36,048	38,726	74,774	74,774
Amortisation				
Opening balance 1 January 2023	26,842	22,047	48,889	33,934
Charge for the period	7,210	7,745	14,955	14,955
At 31 December 2023	34,052	29,792	63,844	48,889
NET BOOK VALUE				
At 31 December 2022	9,206	16,679	25,885	40,840
At 31 December 2023	1,996	8,934	10,930	25,885

8b. TANGIBLE FIXED ASSETS

	Furniture & Fittings £	Office & IT Equipment £	Total 2023 £	Total 2022 £
COST				
Opening balance 1 January 2023	23,844	27,754	51,598	47,017
Additions	86	3,116	3,202	4,581
At 31 December 2023	23,930	30,870	54,800	51,598
DEPRECIATION				
Opening balance 1 January 2023	18,984	16,586	35,570	29,094
Charge for the period	2,634	4,400	7,034	6,476
At 31 December 2023	21,618	20,986	42,604	35,570
NET BOOK VALUE				
At 31 December 2022	4,860	11,168	16,028	17,923
At 31 December 2023	2,312	9,884	12,196	16,028

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

9. INVESTMENTS

	2023 £	2022 £
Aviva Investment Bond:		
Market value brought forward	20,889	22,415
Additions		
Distributions reinvested		-
Unrealised gain/(loss)	(72)	(1,526)
Market value carried forward	20,817	20,889
Historical cost	21,064	21,064

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade Debtors	2,538	1,602
Net prison contributions due	7,295	18,544
Grants receivable	262,764	155,870
Donations receivable	12,195	7,039
Prepayments	7,200	10,902
Other accrued income	1,488	7,222
Lease deposit	1,179	4,895
	294,659	206,074

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	45,899	39,172
Taxation and social security costs	20,511	28,981
Grants committed but not yet paid (see below)	16,800	43,583
Accruals	18,094	15,457
Deferred Income	-	3,523
Other creditors	10,522	7,393
	111,826	138,109

	2023 £	2022 £
At start of year	43,583	47,904
Grants committed in the year	488,491	559,798
Grant commitments fulfilled	(515,274)	(564,119)
	16,800	43,583

Grant commitments are recorded as liabilities on the balance sheet and as expenditure in the Statement of Financial Activities when the award has been approved, as a constructive obligation has been formed. The vast majority of grant awards are fulfilled within 12 months of the commitment.

	2023 £	2022 £
At start of year	3,523	-
Amounts added in the year	-	3,523
Amount released to income from previous years	(3,523)	-
	-	-
At end of year	-	3,523

Deferred income comprises grant monies received during the period subject to donor-imposed conditions specifying the time period over which the expenditure of resources can take place (received in 2022, but intended by the donor for the year ending 31 December 2023).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

12a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Intangible Fixed Assets	10,930	-	10,930	25,885
Tangible fixed assets	12,196	-	12,196	16,028
Investments	20,817	-	20,817	20,889
Current Assets	404,233	362,808	767,041	777,658
Current Liabilities	(38,605)	(73,221)	(111,826)	(138,109)
	409,571	289,587	699,158	702,351

Prior Year Comparative Figures

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Intangible Fixed Assets	25,885	-	25,885
Tangible fixed assets	16,028	-	16,028
Investment	20,889	-	20,889
Current Assets	533,345	244,313	777,658
Current Liabilities	(58,608)	(79,501)	(138,109)
	537,539	164,812	702,351

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

12b. FUNDS OF THE CHARITY

	Brought Forward 01/01/2023 £	Income £	Expenditure £	Transfers £	Carried Forward 31/12/2023 £
RESTRICTED FUNDS					
Policy and Research	3,334	-	(3,334)	-	-
Governance	-	-	-	-	-
Access to Learning					
General	39,675	143,070	(79,530)	-	103,215
Womens prisoners	7,891	48,620	(37,031)	-	19,480
Younger prisoners	12,420	49,696	(41,265)	-	20,851
Older prisoners	-	-	-	-	-
Army veterans	3,051	36,375	(25,203)	-	14,223
HMPPS England	187	391,989	(392,176)	-	-
HMPPS Wales	-	17,952	(17,952)	-	-
Geographically restricted	66,107	156,006	(136,179)	-	85,934
Course subject restricted	959	-	(959)	-	-
Course Development	13,160	30,000	(34,869)	-	8,291
HMPPS Digitisation Project	-	33,568	(33,568)	-	-
Information Advice and Guidance	10,158	4,300	(12,125)	-	2,333
Small Grants	2,202	-	(2,202)	-	-
Prison & Prisoners' contribution	4,944	49,970	(49,728)	-	5,186
Awards	724	-	-	-	724
Engagement and Development					
The National Lottery Community Fund	-	84,245	(59,809)	-	24,436
Other engagement and development funds	-	47,327	(42,413)	-	4,914
	164,812	1,093,118	(968,343)	-	289,587
UNRESTRICTED FUNDS	537,539	538,166	(666,134)	-	409,571
TOTAL FUNDS	702,351	1,631,284	(1,634,477)	-	699,158

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

Prior year comparative figures:

	Brought Forward 01/01/2022 £	Income £	Expenditure £	Transfers £	Carried Forward 31/12/2022 £
RESTRICTED FUNDS					
Policy and Research	12,198	7,800	(16,664)	-	3,334
Governance	-	-	-	-	-
Access to Learning					
General	73,109	87,011	(120,445)	-	39,675
Womens prisoners	8,629	45,000	(45,738)	-	7,891
Younger prisoners	322	42,802	(30,704)	-	12,420
Older prisoners	-	-	-	-	-
Army veterans	6,311	24,444	(27,704)	-	3,051
HMPPS England	27,690	453,578	(481,081)	-	187
HMPPS Wales	-	17,956	(17,956)	-	-
Geographically restricted	55,036	128,136	(117,065)	-	66,107
Course subject restricted	40,224	5,000	(44,265)	-	959
Course Development	-	30,000	(16,840)	-	13,160
Advice Line	9,000	12,463	(11,305)	-	10,158
Small Grants	1,202	1,000	-	-	2,202
Prison & Prisoners' contribution	4,155	51,782	(50,993)	-	4,944
Awards	724	-	-	-	724
Welsh Prisons Project	39,255	-	(39,255)	-	-
	277,855	906,972	(1,020,015)	-	164,812
UNRESTRICTED FUNDS	787,301	524,524	(774,286)	-	537,539
TOTAL FUNDS	1,065,156	1,431,496	(1,794,301)	-	702,351

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

Restricted funds

**Policy &
Research**

For research, policy, advocacy and alumni development work.

**Access to
Learning:**

General	For distance learning courses and advice, major funders in 2023 include: The Big Give Christmas Challenge (various donors including Monday Charitable Trust), Beatrice Laing Trust, Nagle Family Foundation, The Roddick Foundation, Van Neste Foundation and various other trusts.
Women in prison	For distance learning courses and advice to women in prison, major funders in 2023 include: The Brook Trust and Charles Hayward Foundation.
Younger people in prison	For distance learning courses and advice to younger people in prison, major funders in 2023 include: Evan Cornish Foundation, The Horlock Educational Trust, The Portal Trust, The Taylor Family Foundation and various other trusts.
Ex-armed forces	For distance learning courses and advice to ex-service personnel, major funders in 2023 include: ABF The Soldiers' Charity and The Veterans' Foundation.
HMPPS England	Funding granted for distance learning courses, including Open University Access courses and a range of accredited and unaccredited further education courses, as well as an Advice and Information service for serving prisoners and their families.
HMPPS Wales	Funds granted by the Welsh Assembly Government, through HMPPS in Wales for prisoners who are ordinarily resident in Wales to study Open University and other accredited and unaccredited further education courses.
Geographically restricted	Funds granted for distance learning courses and advice with specific geographical restrictions. Major funders in 2023 include: Cherry Family Foundation, Colyer-Fergusson Charitable Trust, The Shears Foundation, The Singer Foundation, William Harding's Charity and various other trusts.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

Restricted funds (continued)

Course subject restricted & Course development	Funds granted for distance learning courses with specific subject restrictions and course development. Major funders with subject restrictions for courses in 2023 include: David Knowles, The Banham Charitable Foundation and various other trusts.
Engagement and development	Funds restricted to projects to extend our reach to underrepresented groups and prisons, and to enhance the support that we offer to learners and staff in both England and Wales. The National Lottery Community Foundation, Moondance Foundation and The Waterloo Foundation are the main contributors for this project.
Advice Line	Schroder Charity Trust and other organisations and individuals contributed funds to support this work.
Digital Development	Fishmongers' Company's Charitable Trust provided the support for this work

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

13. OTHER FINANCIAL COMMITMENTS

At 31 December 2023 the charity had an operating lease for its London office premises with a remaining term of less than 5 years. There is a rolling 6-month break clause, and therefore the commitment by the charity at any given point is 6 months' rent and service charge. As at 31 December 2023, this amounted to £8,041 (2022: £34,458). The charity also had a non-cancellable operating lease commitment of £423 (2022: £423) for equipment falling due within one year.

In October 2015 the charity signed an operating licence for an office space in Cardiff with an initial 18-month term and a rolling one month break clause. The commitment of the charity at any one time is rent and service charges of £625. There are no other non-cancellable operating licence commitments falling due within one year or in more than one year (2022: the same).

14. CONTRIBUTION OF VOLUNTEERS

We are very grateful for the vital contributions to our work made by volunteers in 2023 in many different capacities. A number of our alumni that we had helped while in prison and are now in the community gave their time to speak at events or to journalists to promote our work. Some of our high-profile supporters also gave their time to speak at events on our behalf. We were given valuable help with administrative and office tasks by one volunteer gaining temporary work experience or helping with one off tasks (2022: 1). No individuals helped us out on a voluntary basis with fundraising events organised either directly through PET or via our South London supporters' group (2022: 0). A number of professional and academic experts contributed their advice and expertise to our project and research work on a pro bono basis; and our Patrons and trustees gave their time most generously and free of charge to act as ambassadors for PET and to provide robust and effective governance.

15. LIMITATION OF LIABILITY

Prisoners' Education Trust is a charitable company limited by guarantee. Liability is limited to £10 per member. As at 31 December 2023, there were 11 members (2022: 10).