

PRISONERS' PENFRIENDS

(A company limited by guarantee)

Report and Financial Statements

Year ended: 31 March 2022

Charity no: 1098118

Company no: 4629036

Prisoners' Penfriends
(A company limited by guarantee)

Table of Contents

Legal and administrative information	1
Report of The Trustees and Directors.....	2 - 3
Independent Examiner's Report	4 - 5
Accounting Policies.....	6
Statement of Financial Activities.....	7
Balance Sheet.....	8
Notes to the Financial Activities.....	9

Prisoners' Penfriends

(A company limited by guarantee)

Legal and administrative information

Structure, Governance and Management

The company is registered as a charitable company limited by guarantee, incorporated on 6th January 2003 and registered as a charity on 20th June 2004. Each member has undertaken to contribute a sum not exceeding £1 in the event of the winding up of the company.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The management of the Charity is the responsibility of the Trustees who are appointed under the terms of the Articles of Association.

Statement of benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit as explained below.

Prisoners' Penfriends supports the wellbeing of prisoners by extending the hand of non-judgemental friendship via letters and emails. The charity makes it possible for volunteers, in the community outside prison, to write to prisoners in complete safety. The scheme is unique in that every correspondence is carefully supervised and every letter is similarly monitored, thereby protecting our volunteers from harm and enabling us to detect any danger of prisoners suffering violence, self-harm or even suicide. The University of Warwick has studied our scheme and found that it has an important role to play in helping to rehabilitate convicted offenders.

Trustees and Directors

Joy Boyce
Rose Malleson
Peter McKinney
Daniel Rogers
Peter Hill

Registered Office

Apropos Ltd
3 Alma Terrace
London SW18 3HT

**Report of the Trustees and Directors
for the Year Ended 31 March 2022**

The management committee presents its report and the financial statements for the year ended 31 March 2022

Activities

The company is a charity and exists to:

1. Promote the relief and rehabilitation of people in prison and anyone who has received a criminal sentence in particular but without limitation through the establishment, support and promotion of a pen friend scheme;
2. To advance the education of the public generally and in particular by encouraging and developing basic reading and writing and creative writing skills amongst people in prison and anyone who has received a criminal sentence.

Results

The net loss for the year amounted to £20,446 and was supported by the general reserves, which now stand at £23,656.

Responsibilities of the Trustees and Directors

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

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

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts 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 the charitable company and enable it to ensure that the accounts comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Funding

The Trustees are satisfied that the Charity's assets are available and adequate to fulfill its obligations. The most significant source of the Charity's funds is derived from donations and grants.

The Trustees are particularly grateful for the donation from the Garfield Weston Charitable Foundation.

**Report of the Trustees and Directors
for the Year Ended 31 March 2022**

Risks and Reserves

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

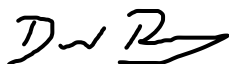
The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation.

Pleasingly this year the continued robust fundraising strategy has resulted in a meaningful net annual surplus being achieved. The Trustees strategy is to continue to seek funding and donations to cover current levels of expenditure and build reserves to maintain the reserve level of unrestricted funds identified as being adequate to mitigate the main risks to the organisation.

In preparing this report the Committee of Management have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the management committee on 20 December 2022

and signed on its behalf by:



Daniel Rogers
(Director)

**Independent Examiner's Report
for the Year Ended 31 March 2022**

Independent Examiner's Report to The Trustees of Prisoners' Penfriends

I report to the charity Board on my examination of the accounts of the company for the year ended 31 March 2022

This report is made solely to the charity's Board, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Board those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the charity's Board as a body, for my work or for this report.

Responsibilities and basis of report

As the Board of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Report (continued)
for the Year Ended 31 March 2022

Independent Examiner's Statement

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Dated: 20/12/2022

Richard Rhodes FCA

Feltons
Chartered Accountants
1 The Green
Richmond
Surrey
TW9 1PL

Accounting Policies

Basis of accounting

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) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Prisoners' Penfriends meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Prisoners' Penfriends is a company limited by guarantee and is registered in England & Wales. The company registered address and company number can be found on Legal & Administrative Information page

Fund accounting

The General/Unrestricted Funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants where related to specific deliverables are accounted for as the charity earns the right to consideration.

No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid/Just Giving is recognised at the time of the donation. Other income is recognised in the period in which it is receivable.

Resources expended

Expenditure is accounted for on an accrual basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

All resources expended are inclusive of irrecoverable VAT.

Going concern

The trustees of Prisoners' Penfriends have analysed and will carry out ongoing monitoring of the impact on the company's financial position. The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Prisoners' Penfriends
(A company limited by guarantee)

Statement of Financial Activities
(including Income and Expenditure Account) for the year ended 31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
Income From	1				
Donations and legacies		40,874	-	40,874	41,178
Total Incoming Resources		<u>40,874</u>	<u>-</u>	<u>40,874</u>	<u>41,178</u>
Expenditure on:					
Charitable activities	2	<u>61,320</u>	<u>-</u>	<u>61,320</u>	<u>39,929</u>
Total Resources Expended		<u>61,320</u>	<u>-</u>	<u>61,320</u>	<u>39,929</u>
Net Income Before Gains and Losses		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Movement in Funds		<u>(20,446)</u>	<u>-</u>	<u>(20,446)</u>	<u>1,249</u>
Total Funds Brought Forward		<u>44,102</u>	<u>-</u>	<u>44,102</u>	<u>42,853</u>
Total Funds Carried Forward		<u><u>23,656</u></u>	<u><u>-</u></u>	<u><u>23,656</u></u>	<u><u>44,102</u></u>

Prisoners' Penfriends
(A company limited by guarantee)

Balance Sheet at 31st March 2022
Company no: 4629036 / Charity no: 1098118

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
Current Assets					
Debtors		-	-	-	-
Cash at bank and in hand		27,855	-	27,855	46,928
		27,855	-	27,855	46,928
Creditors					
Amounts falling due within one year	3	4,199	-	4,199	2,826
Net current assets		23,656	-	23,656	44,102
Total assets less current liabilities		23,656	-	23,656	44,102
Net assets		23,656	-	23,656	44,102
Reserves / Funds					
Reserves Unrestricted funds:					
General Fund				23,656	44,102
Restricted funds:					
Restricted Fund				-	-
Total Funds				23,656	44,102

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with FRS102 SORP.

The Board consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Board acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Approved by the Board of Trustees/Directors on 20 December 2022 and were signed on their behalf by:



.....
Daniel Rogers
Director

Prisoners' Penfriends
(A company limited by guarantee)

Notes to the Financial Activities
(including Income and Expenditure Account) for the year ended 31 March 2022

	Unrestricted fund	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
(1). Income From				
Donations and legacies				
Grants and donation	35,246	-	35,246	38,807
Just giving	5,628	-	5,628	2,371
Gift aid	-	-	-	-
Investments				
Bank interest	-	-	-	-
Total Incoming Resources	<u>40,874</u>	<u>-</u>	<u>40,874</u>	<u>41,178</u>

(2). Expenditure on Charitable activities:

Management fee/salaries	42,496	-	42,496	30,173
Computer database	940	-	940	1,396
Franking machine	307	-	307	267
Office and admin costs	17,577	-	17,577	8,093
Legal fees	-	-	-	-
Total Resources Expended	<u>61,320</u>	<u>-</u>	<u>61,320</u>	<u>39,929</u>

(3). Creditors

Staff cost accrual	<u>4,199</u>	<u>-</u>	<u>4,199</u>	<u>2,826</u>
Creditors	<u>4,199</u>	<u>-</u>	<u>4,199</u>	<u>2,826</u>

(4). Trustees Remuneration and expenses

None of the Trustees received any remuneration. No trustees received reimbursement for travel costs during the year (2021: £50).

(5). Related Party transactions

There were no related party transactions in the year

(6). Staff costs

Staff costs of £42,496 comprises gross salaries of £38,564, national insurance of £2,878 and £854 for pension payments. The remaining £200 relates to contractor costs.