

# **COMPASSION PRISON MINISTRIES**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022**

Registered Charity No. 1161943  
Company Registration No. 08348123

# COMPASSION PRISON MINISTRIES

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## Compassion Prison Ministries

### **Report of the trustees for the year ended 31<sup>ST</sup> January 2022**

The trustees present their annual directors' report and financial statements of the charity for the year ended 31<sup>st</sup> January 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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).

#### **Reference and administrative information:**

Charity Name: Compassion Prison Ministries

Charity Number: 1161943

Companies House Registration Number: 08348123

#### **Directors and trustees:**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

#### **Key management personnel: Trustees and Directors (to date of signing)**

Norma Walters - Treasurer & Trustee

Clive Whittle – Chair, Director & Trustee

Paula Sharp - Trustee only

Haruna Musa Moda – Trustee only (resigned December 2021)

Eric Scotland – Secretary & Director (resigned October 2021)

#### **Registered Address**

Beacon Centre

72 Great Stone Road

Stretford

M32 8QS

#### **Independent Examiner**

Community Accountancy Services Ltd

The Grange

Pilgrim Drive

M11 3TQ

## **Compassion Prison Ministries**

### **Structure, governance and management:**

Compassion Prison Ministries remains a company limited by guarantee governed by its Memorandum and Articles of Association dated 4<sup>th</sup> January 2013. It is registered as a charity with the Charity Commission and is constituted under a trust deed dated 2<sup>nd</sup> June 2015.

### **Objectives and activities:**

The objectives remain as in previous years to visit and support as many Prison chaplains and prisoners as in previous years.

The Charity aims to continue the visits into the following Prisons when restrictions are lifted.

The charity aims to continue to utilise and equip over 30 volunteers to visit HM prisons listed below;

HMP Manchester male prison

HMP Styal women's prison

HMP Garth men's prison

HMP Wymott men's prison

HMP Hindley men's prison

HMP Thorn Cross men's prison

HMP Preston men's prison

### **A review of our achievements and performance:**

Whilst the effects of Covid 19 have restricted the operational visits into the prisons, the charity has invested in training and recruiting for the future re-opening of Prisons in the Northwest and beyond. £650 was spent on training in the financial year

### **PRISON MINISTRY VISITS:**

There have been restricted visits to Styal Prison and Thorn Cross due to Covid 19 restrictions. All other prisons have not reopened during the 2021 year.

### **Covid- 19 and its effect on charities activities:**

All trustee meetings and training sessions have been conducted on Zoom for the health and safety of the members and social distancing regulations. Numbers allowed to enter Prisons has also been severely restricted.

## Compassion Prison Ministries

### **Plans for future periods:**

Recruitment drives are planned and in process and further training for new recruits are planned for 2022/2023 Particularly as Prison visits are becoming fully operational. The charity has also received further invitations to 2 new prisons. A restructure of leadership and visiting teams are also in process

### **Financial review:**

Total Income for year-end 31<sup>st</sup> January 2022 was £1,199 less total expenditure £5,231 provided a deficit of £4,032 for the year.

### **Investment powers and policy:**

The trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest-bearing deposit account.

### **Reserves policy and going concern:**

The balance held in unrestricted reserves at 31<sup>st</sup> January 2022 was £14,061 all of which are free reserves after allowing for funds tied up in tangible fixed assets. Total funds carried forward are £19,930.

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

### **Risk management**

The trustees have conducted a review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks.

### **Appointment of trustees:**

As set out in the Articles of Association trustees are elected annually by the members of the charitable company attending the Annual General meeting and serve for a period of 3 years.

### **Trustee induction and training:**

Training and envisioning for the trustees is planned for 2022/2023 and in process.

### **Organisation:**

The board of trustees administers the charity. The board normally meets bi-monthly by zoom. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity.

## Compassion Prison Ministries

### **Related parties and co-operation with other organisations:**

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

### **Trustees responsibilities in relation to the financial statements:**

The charity trustees (who are also the directors of Compassion Prison Ministries for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will not continue in business. The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board of trustees

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Clive Whittle  
Chair

Date: 9<sup>th</sup> January 2023

## **Independent examiner's report to the trustees of Compassion Prison Ministries**

I report on the accounts of the company for the year ended 31<sup>st</sup> January 2022, which are set out on pages 6 to 16.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
  - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Anita King FCCA *A. N. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive  
 Beswick, Manchester, M11 3TQ

Date: 9<sup>th</sup> January 2023

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED  
31 JANUARY 2022**

*(including income and expenditure account)*

		Unrestricted Funds	Restricted Funds	Total Funds Year Ended 31 January 2022	Total Funds Year Ended 31 January 2021
	Further Details	£	£	£	£
<b>Income from:</b>					
Donations and legacies	(3)	1,188	-	1,188	9,167
Charitable Activities	(4)	-	-	-	41,110
Investment Income		11	-	11	17
Other Income		-	-	-	502
<b>Total</b>		<b>1,199</b>	<b>-</b>	<b>1,199</b>	<b>50,796</b>
<b>Expenditure on:</b>					
Charitable Activities	(5)	500	4,731	5,231	40,337
<b>Total</b>		<b>500</b>	<b>4,731</b>	<b>5,231</b>	<b>40,337</b>
<b>Net income/(expenditure)</b>					
		699	(4,731)	(4,032)	10,459
Transfers between funds	(13)	-	-	-	-
<b>Net movement in funds</b>		<b>699</b>	<b>(4,731)</b>	<b>(4,032)</b>	<b>10,459</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	(13)	13,362	10,600	23,962	13,503
Transferred to Foodbank		-	-	-	(21,427)
<b>Total funds carried forward</b>	<b>(13)</b>	<b>14,061</b>	<b>5,869</b>	<b>19,930</b>	<b>23,962</b>

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

The notes on pages 9 to 16 form part of these accounts.



**BALANCE SHEET AS AT 31 JANUARY 2022**

COMPANY REG NO: 08348123

	Notes	2022 £	2021 £
<b>Fixed assets:</b>			
Tangible assets	(10)	1	1
Total fixed assets		1	1
<b>Current assets:</b>			
Debtors	(11)	1,895	4,086
Cash at Bank & in Hand		19,054	21,315
Total current assets		20,949	25,401
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(12)	1,020	1,440
Net current assets or liabilities		19,929	23,961
Total assets less current liabilities		19,930	23,962
<b>Total net assets or liabilities</b>		19,930	23,962
<b>The funds of the charity:</b>			
Unrestricted income funds	(13)	14,061	13,362
Restricted income funds	(13)	5,869	10,600
<b>Total charity funds</b>		19,930	23,962

For the period in question the company was entitled to the exemption conferred by section 477 of the Companies Act 2006, and that no notice has been deposited under section 476 in relation to its accounts for the financial year; and the directors acknowledge their responsibilities for:

- complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 9th January 2023

Norma Walters

Clive Whittle

The notes on pages 9 to 16 form part of these accounts.

## Statement of Cash Flows for the year ending 31 January 2022

	Year Ended 31 January 2022 £	Year Ended 31 January 2021 £
<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>		
Net movement in funds	(4,032)	10,459
Deduct investment income	(11)	(17)
Decrease/(increase) in debtors	2,191	(888)
Increase/(decrease) in creditors	(420)	(9,156)
<b>Net cash used in operating activities</b>	<b>(2,272)</b>	<b>398</b>
<b>Cash flows from investment activities:</b>		
Interest	11	17
Disposal of fixed assets	-	2,257
<b>Net cash provided by investing activities</b>	<b>11</b>	<b>2,274</b>
 Increase/(decrease) in cash and cash equivalents during the year	 (2,261)	 2,672
 Cash and cash equivalents brought forward	 21,315	 40,070
Transferred To Compassion Food Bank Limited	-	(21,427)
<b>Cash and cash equivalents carried forward</b>	<b>19,054</b>	<b>21,315</b>

**1. Accounting policies****(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There were 3 restricted funds during the year. Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose. Further details of each fund are disclosed in note 14.

**(c) Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**(d) Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

**(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together. Governance costs and support costs relating to charitable activities have been apportioned based on type of expense. The allocation of support and governance costs is analysed in note 7.

## Notes to the accounts for the year ended 31st January 2022

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**(g) Costs of raising funds**

The costs of raising funds consists of licence fees, bad debts and event costs.

**(h) Charitable Activities**

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 6.

**(i) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

Equipment	25% on cost
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**(j) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value of their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(k) Debtors**

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

**(l) Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of the funds to a third party and the amount due to settle the obligation can be measured of estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**2. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2021: £nil). Expenses paid to the trustees in the year totalled £nil (2021: £nil).

## 3. Donations and Legacies

	Unrestricted Year Ended 31 January 2022 £	Restricted Year Ended 31 January 2022 £	Total Funds Year Ended 31 January 2022 £
Offerings	1,188	-	1,188
	1,188	-	1,188

## Prior Year

	Unrestricted Year Ended 31 January 2020 £	Restricted Year Ended 31 January 2020 £	Total Funds Year Ended 31 January 2020 £
Offerings	9,167	-	9,167
	9,167	-	9,167

## 4. Income from charitable activities

	Unrestricted Year Ended 31 January 2022 £	Restricted Year Ended 31 January 2022 £	Total Funds Year Ended 31 January 2022 £
Grants:	-	-	-
	-	-	-

## Prior Year

	Unrestricted Year Ended 31 January 2020 £	Restricted Year Ended 31 January 2020 £	Total Funds Year Ended 31 January 2020 £
Grants:			
Big Lottery Fund	-	9,283	9,283
Big Lottery Covid Fund	-	10,000	10,000
We Love Manchester	-	6,000	6,000
Independent Food Covid	-	100	100
Lord Mayor's Charity	-	500	500
Manchester City Council	-	14,227	14,227
Manchester City Council	-	1,000	1,000
	-	41,110	41,110

## 5. Expenditure

	Charitable Activities £	Year Ended 31 January 2022 £	Year Ended 31 January 2021 £
<b>Expenditure on charitable activities:</b>			
Employment Costs	-	-	16,274
Pension Costs	-	-	634
Food Bank Food	-	-	7,653
Fareshare Membership	-	-	2,335
Volunteer Travel Expenses	-	-	785
Training	1,650	1,650	972
Storage Rent	-	-	183
Donations	200	200	-
Telephone	-	-	87
Printing, Postage & Stationery	-	-	449
Travel Expenses	645	645	534
Van Tax, Repairs & Insurance	-	-	1,507
Donation To Foodbank	-	-	4,517
Governance Costs	600	600	660
Support Costs	2,136	2,136	3,375
Sundries	-	-	372
	<u>5,231</u>	<u>5,231</u>	<u>40,337</u>
		<b>2022</b>	<b>2021</b>
Restricted Funds		4,731	40,285
Unrestricted Funds		500	52
		<u>5,231</u>	<u>40,337</u>

## Notes to the accounts for the year ended 31st January 2022

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**6. Analysis of expenditure on charitable activities**

As per note 5.

**7. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

	Basis of apportionment	General Support	Governance	2022 Total	2021 Total
Accountancy Fees	type of expense	-	600	600	660
Payroll Bureau	type of expense	12	-	12	275
Cleaning & PPE	type of expense	-	-	-	316
Rent & Rates	type of expense	500	-	500	328
Consultancy	type of expense	1,000	-	1,000	1000
Computer Software	type of expense	478	-	478	683
Repairs	type of expense	-	-	-	16
Insurance	type of expense	146	-	146	757
		2,136	600	2,736	4,035

**8. Analysis of staff costs**

	Year Ended 31 January 2022 £	Year Ended 31 January 2021 £
Wages and Salaries	-	16,274
Social Security Costs	-	-
Pension Costs	-	634
	-	16,908

The average number of employees during the year was nil (previous year: 2).

The charity considers its key management personnel comprises the trustees. The total employment benefits, including employer pension contributions of the key management personnel were £nil (previous year: £nil). No employee has benefits in excess of £60,000 (previous year: none). The payroll scheme was closed in June 2020.

**9. Independent Examiner Fees**

	Year Ended 31 January 2022 £	Year Ended 31 January 2021 £
Independent examination fees	600	660
Other financial services	12	275
	612	935

## Notes to the accounts for the year ended 31st January 2022

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**10. Tangible Fixed Assets**

	<b>Equipment</b>	<b>Total</b>
	£	£
<b>Cost</b>		
At 1 February 2021	4,951	4,951
Additions	-	-
Disposals	-	-
At 31 January 2022	4,951	4,951
<b>Depreciation</b>		
At 1 February 2021	4,950	4,950
Charge for Year	-	-
Eliminated on disposal	-	-
At 31 January 2022	4,950	4,950
<b>NET BOOK VALUE</b>		
At 31 January 2022	1	1
At 31 January 2021	1	1

**11. Analysis of debtors**

	<b>2022</b>	<b>2021</b>
	£	£
Debtors	-	502
Other Debtors	-	500
Prepayments	1,895	3,084
	1,895	4,086

Debtors and prepayments related to unrestricted funds both in 2022 and 2021.

**12. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
Other creditors and accruals	600	1,158
Taxation and social security costs	420	282
	1,020	1,440

All creditors and accruals related to unrestricted funds both in 2022 and 2021.



## 13. Analysis of charitable funds

## Analysis of movements in unrestricted funds

	Balance at 1 February 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 January 2022
	£	£	£	£	£
General Fund	13,362	1,199	(500)	-	14,061
	13,362	1,199	(500)	-	14,061

## Prior Year

	Balance at 1 February 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 January 2021
	£	£	£	£	£
General Fund	3,728	9,686	(52)	-	13,362
	3,728	9,686	(52)	-	13,362

Name of unrestricted fund:	Description, nature and purpose of the fund
General Fund	The "free reserves" after allowing for all designated funds

## Analysis of movements in restricted funds

	Balance at 1 February 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 January 2022
	£	£	£	£	£
Big Lottery Fund	200	-	(200)	-	-
Big Lottery Covid	10,000	-	(4,131)	-	5,869
We Love Manchester	400	-	(400)	-	-
	200	-	(4,731)	-	5,869

## Prior Year

	Balance at 1 February 2020	Incoming Resources	Resources Expended	Transferred to Foodbank	Balance at 31 January 2021
	£	£	£	£	£
Big Lottery Fund	31,202	9,283	(40,285)	-	200
Big Lottery Covid	-	10,000	-	-	10,000
We Love Manchester	-	6,000	-	(5,600)	400
Independent Food Covid	-	100	-	(100)	-
Lord Mayor's Charity	-	500	-	(500)	-
Manchester City Council	-	14,227	-	(14,227)	-
Manchester City Council	-	1,000	-	(1,000)	-
	31,202	41,110	(40,285)	(21,427)	10,600

Name of restricted fund:	Description, nature and purpose of the fund
Big Lottery Fund	~ To run a food bank providing volunteer opportunities, to build sustainability through a pantry and to provide a money mentoring programme. Also to employ 3 part time paid positions.
Big Lottery Covid	~ Towards covid support
We Love Manchester	~ To provide emergency food parcels and to run men's meals and games nights.

**14. Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	2022 Total
	£	£	£
Tangible fixed assets	-	1	1
Cash at bank and in hand	13,186	5,868	19,054
Other net current assets/(liabilities)	875	-	875
<b>Total</b>	<b>14,061</b>	<b>5,869</b>	<b>19,930</b>

**Prior Year**

	Unrestricted funds	Restricted funds	2021 Total
	£	£	£
Tangible fixed assets	-	1	1
Cash at bank and in hand	10,716	10,599	21,315
Other net current assets/(liabilities)	2,646	-	2,646
<b>Total</b>	<b>13,362</b>	<b>10,600</b>	<b>23,962</b>

**15. Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at an amortised cost using the effective interest method.