

# **COMPASSION PRISON MINISTRIES**

## **FINANCIAL STATEMENTS FOR THE PERIOD 1 FEBRUARY 2022 TO 31 MARCH 2023**

Registered Charity No. 1161943  
Company Registration No. 08348123

# **COMPASSION PRISON MINISTRIES**

## **INDEX**

<b><u>PAGE NUMBER</u></b>	<b><u>CONTENTS</u></b>
1 - 4	TRUSTEES ANNUAL REPORT
5	INDEPENDENT EXAMINERS REPORT
6	STATEMENT OF FINANCIAL ACTIVITIES
7	BALANCE SHEET
8	STATEMENT OF CASH FLOWS
9 - 16	NOTES TO THE ACCOUNTS

## COMPASSION PRISON MINISTRIES

### **Financial review**

Total income for period to 31<sup>st</sup> March 2023 was £587 less total expenditure £4,784 resulted in a deficit of £4,197 for the period.

### **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 on 31<sup>st</sup> March 2023 was £12,669 of which £12,288 were free reserves after allowing for funds tied up in tangible fixed assets. Total funds carried forward are £15,733.

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 are planned for 2023/2024 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.

### **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.

**COMPASSION PRISON MINISTRIES****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: 6<sup>th</sup> December 2023

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

I report on the accounts of the company for the period 1<sup>st</sup> February 2022 to 31<sup>st</sup> March 2023, 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.M. King*  
 Community Accountancy Service Ltd  
 The Grange, Pilgrim Drive  
 Beswick, Manchester, M11 3TQ

Date: 6<sup>th</sup> December 2023

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD****1 FEBRUARY 2022 TO 31 MARCH 2023****(including income and expenditure account)**

				<b>Total Funds Period 1 February 2022 to 31 March 2023</b>	<b>Total Funds Year Ended 31 January 2022</b>
	<b>Further Details</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>					
Donations and legacies	(3)	558	-	558	1,188
Charitable Activities	(4)	-	-	-	-
Investment Income		29	-	29	11
<b>Total</b>		<b>587</b>	<b>-</b>	<b>587</b>	<b>1,199</b>
<b>Expenditure on:</b>					
Charitable Activities	(5)	1,979	2,805	4,784	5,231
<b>Total</b>		<b>1,979</b>	<b>2,805</b>	<b>4,784</b>	<b>5,231</b>
<b>Net income/(expenditure)</b>		<b>(1,392)</b>	<b>(2,805)</b>	<b>(4,197)</b>	<b>(4,032)</b>
Transfers between funds	(13)	-	-	-	-
<b>Net movement in funds</b>		<b>(1,392)</b>	<b>(2,805)</b>	<b>(4,197)</b>	<b>(4,032)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	(13)	14,061	5,869	19,930	23,962
<b>Total funds carried forward</b>	<b>(13)</b>	<b>12,669</b>	<b>3,064</b>	<b>15,733</b>	<b>19,930</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 MARCH 2023**

Company Registration Number: 08348123

	Notes	2023 £	2022 £
<b>Fixed assets:</b>			
Tangible assets	(10)	381	1
Total fixed assets		<u>381</u>	<u>1</u>
<b>Current assets:</b>			
Debtors	(11)	510	1,895
Cash at Bank & in Hand		15,790	19,054
Total current assets		<u>16,300</u>	<u>20,949</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	(12)	948	1,020
Net current assets or liabilities		<u>15,352</u>	<u>19,929</u>
Total assets less current liabilities		15,733	19,930
<b>Total net assets or liabilities</b>		<u>15,733</u>	<u>19,930</u>
<b>The funds of the charity:</b>			
Unrestricted income funds	(13)	12,669	14,061
Restricted income funds	(13)	3,064	5,869
<b>Total charity funds</b>		<u>15,733</u>	<u>19,930</u>

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 6th December 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 March 2023

	Period 1 February 2022 to 31 March 2023 £	Year Ended 31 January 2022 £
<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>		
Net movement in funds	(4,197)	(4,032)
Deduct investment income	(29)	(11)
Depreciation	127	-
Decrease/(increase) in debtors	1,385	2,191
Increase/(decrease) in creditors	(72)	(420)
<b>Net cash used in operating activities</b>	<b>(2,786)</b>	<b>(2,272)</b>
<b>Cash flows from investment activities:</b>		
Interest	29	11
Purchase of fixed assets	(507)	-
<b>Net cash provided by investing activities</b>	<b>(478)</b>	<b>11</b>
 Increase/(decrease) in cash and cash equivalents during the year	 (3,264)	 (2,261)
Cash and cash equivalents brought forward	19,054	21,315
<b>Cash and cash equivalents carried forward</b>	<b>15,790</b>	<b>19,054</b>



Notes to the accounts for the period 1 February 2022 to 31 March 2023

**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 is 1 restricted fund. 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 13.

**(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 period 1 February 2022 to 31 March 2023**

**(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 (2022: £nil). Expenses paid to the trustees in the year totalled £nil (2022: £nil).

## Notes to the accounts for the period 1 February 2022 to 31 March 2023

## 3. Donations and Legacies

	Unrestricted Period 1 February 2022 to 31 March 2023 £	Restricted Period 1 February 2022 to 31 March 2023 £	Total Funds Period 1 February 2022 to 31 March 2023 £
Offerings	558	-	558
	558	-	558

## Prior Year

	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

## 4. Income from charitable activities

	Unrestricted February 2022 to 31 March 2023 £	Restricted February 2022 to 31 March 2023 £	Total Funds February 2022 to 31 March 2023 £
Grants:	-	-	-
	-	-	-

## Prior Year

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

## Notes to the accounts for the period 1 February 2022 to 31 March 2023

## 5. Expenditure

	Charitable Activities £	Period 1 February 2022 to 31 March 2023 £	Year Ended 31 January 2022 £
<b>Expenditure on charitable activities:</b>			
Employment Costs	-	-	-
Training	1,936	1,936	1,650
Donations	220	220	200
Travel Expenses	1,259	1,259	645
Governance Costs	360	360	600
Support Costs	869	869	2,136
Depreciation	127	127	-
Sundries	13	13	-
	<u>4,784</u>	<u>4,784</u>	<u>5,231</u>
		<b>2023</b>	<b>2022</b>
Restricted Funds		2,805	4,731
Unrestricted Funds		1,979	500
		<u>4,784</u>	<u>5,231</u>

## Notes to the accounts for the period 1 February 2022 to 31 March 2023

**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	2023 Total	2022 Total
Accountancy Fees	type of expense	-	360	360	600
Payroll Bureau	type of expense	-	-	-	12
Rent & Rates	type of expense	-	-	-	500
Consultancy	type of expense	-	-	-	1000
Computer Software	type of expense	693	-	693	478
Insurance	type of expense	176	-	176	146
		869	360	1,229	2,736

**8. Analysis of staff costs**

	Period 1 February 2022 to 31 March 2023 £	Year Ended 31 January 2022 £
Wages and Salaries	-	-
Social Security Costs	-	-
Pension Costs	-	-
	-	-

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

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**

	Period 1 February 2022 to 31 March 2023 £	Year Ended 31 January 2022 £
Independent examination fees	360	600
Other financial services	-	12
	360	612

## Notes to the accounts for the period 1 February 2022 to 31 March 2023

**10. Tangible Fixed Assets**

	<b>Equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>
At 1 February 2022	4,951	4,951
Additions	507	507
At 31 March 2023	<u>5,458</u>	<u>5,458</u>
<b>Depreciation</b>		
At 1 February 2022	4,950	4,950
Charge for Year	127	127
At 31 March 2023	<u>5,077</u>	<u>5,077</u>
<b>NET BOOK VALUE</b>		
At 31 March 2023	<u>381</u>	<u>381</u>
At 31 January 2022	<u>1</u>	<u>1</u>

**11. Analysis of debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Prepayments	510	1,895
	<u>510</u>	<u>1,895</u>

Debtors and prepayments related to unrestricted funds both in 2023 and 2022.

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other creditors and accruals	528	600
Taxation and social security costs	420	420
	<u>948</u>	<u>1,020</u>

## Notes to the accounts for the period 1 February 2022 to 31 March 2023

## 13. Analysis of charitable funds

## Analysis of movements in unrestricted funds

	Balance at 1 February 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
General Fund	14,061	587	(1,979)	-	12,669
	14,061	587	(1,979)	-	12,669

## Prior Year

	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

## 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 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Big Lottery Covid	5,869	-	(2,805)	-	3,064
	5,869	-	(2,805)	-	3,064

## Prior Year

	Balance at 1 February 2021	Incoming Resources	Resources Expended	Transferred to Foodbank	Balance at 31 January 2022
	£	£	£	£	£
Big Lottery Fund	200	-	(200)	-	-
Big Lottery Covid	10,000	-	(4,131)	-	5,869
We Love Manchester	400	-	(400)	-	-
	10,600	-	(4,731)	-	5,869

## Name of restricted fund:

## Description, nature and purpose of the fund

Big Lottery Covid

Towards covid support



## Notes to the accounts for the period 1 February 2022 to 31 March 2023

## 14. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	2023 Total
	£	£	£
Tangible fixed assets	381	-	381
Cash at bank and in hand	12,726	3,064	15,790
Other net current assets/(liabilities)	(438)	-	(438)
<b>Total</b>	<b>12,669</b>	<b>3,064</b>	<b>15,733</b>

## Prior Year

	Unrestricted funds	Restricted funds	2022 Total
	£	£	£
Tangible fixed assets	-	1	1
Cash at bank and in hand	10,716	10,599	19,054
Other net current assets/(liabilities)	2,646	-	875
<b>Total</b>	<b>13,362</b>	<b>10,600</b>	<b>19,930</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.