

Company number: 2906362

Charity number: 1035525

Prison Reform Trust

Report and financial statements

For the year ended 31 March 2022

Prison Reform Trust

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Prison Reform Trust

Reference and administrative information

For the year ended 31 March 2022

Company number 2906362

Charity number 1035525

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

Country of Registration England & Wales

Country of incorporation United Kingdom

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

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

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

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

Shadae Cazeau (*appointed 8 February 2022*)

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

Professor Dr Benjamin Crewe

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

The Right Honourable the Lord Edward Garnier QC

The Right Honourable David Gauke (*appointed 11 March 2022*)

Dr Ann Hagell (*resigned 5 October 2021*)

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

Michelle Nelson QC (*resigned 5 October 2021*)

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

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For the year ended 31 March 2022

Rebecca Page: (Member of Finance & Fundraising Sub-Committee)
(appointed 8 February 2022)

Elizabeth Rantzen: (Treasurer/Chair of Finance & Fundraising Sub-Committee)

Dale Simon CBE

Osmond Junior Smart OBE

James Timpson, OBE: (Chair)

Key management Peter Dawson Director

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

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

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

The trustees present their report and the audited financial statements for the year ended 31 March 2022.

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

Objectives and activities

Purposes and aims

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

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

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

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

Our purpose

To create a just, humane and effective penal system.

Our vision

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

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

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

Improve conditions for prisoners, which requires:

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

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

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

How we work

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

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

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

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

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

Overview of the year

In common with every other organisation, we spent the year continually adjusting our priorities and activity in response to the twists and turns of the pandemic. Successive waves of Covid frustrated what we had anticipated would be a year of recovery. Nevertheless, the emphasis we put on involving prisoners in policy, and the strength of our techniques for doing so, put us in very close contact with the team responsible for designing post pandemic prison regimes. We are trusted and consulted on a regular basis behind the scenes, and the work being done in that context provides a glimmer of positivity in a prison landscape that is otherwise extremely bleak.

What we might not have expected in the midst of a pandemic was to be so fully occupied with both a major bill and a white paper devoted entirely to prisons policy. The outcomes on both were frustrating, but we can claim modest success in securing the first legislative change to Imprisonment for Public Protection (IPP) arrangements since 2012, and the formation of a very broad and impressive coalition of Peers dedicated to wider IPP reform. On the white paper, there are ambitions we would share, though very few are resourced or timetabled. But perhaps as significant is that the very real risk of a damaging shift in policy towards harsher conditions appears to have been averted.

The work of the commission chaired by Bishop James Jones also represents a very significant achievement in the most testing of circumstances, pursuing a policy shift that will take many years to achieve but which might otherwise be abandoned altogether.

At every opportunity we have visited prisons, and our daily contact with prisoners – through record breaking numbers of inquiries to the advice service and the constant emailing and letter writing of both the Prisoner Policy Network (PPN) and Building Futures networks – has never been more intense. If we are pushing a boulder up a hill, we would have to admit that progress has been slow. But we have stopped it from rolling to the bottom, which remains a serious risk.

Thanks to the continuing support of long-term funders, a broadening of that base and a boost in the contributions made from many individual supporters in our 40th anniversary year, PRT is in a sound financial position. This has enabled us to continue to employ a new generation of outstanding colleagues from a diverse range of personal backgrounds, many with personal experience of imprisonment. A third of the team as a whole, and half of the senior management team, have that experience. The organisation benefits hugely from its diversity of background, experience and expertise, and that has played a significant part in allowing us to come through the pandemic with no loss of energy, influence, or focus.

Our progress against each of our 4 strategic objectives in 2021/22 was as follows.

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

The number of adults in prison started to rise slowly from the low of around 78,000 caused by the cessation of much court activity during the pandemic, reaching around 80,000. Remand numbers remained high by recent standards – for the same reason. Recalls are now firmly established as one of the main drivers of population growth, with nearly 10,000 people now in prison for that reason, rising by 6% a year. Over 6,000 people are serving extended determinate sentences – in its various forms essentially the successor to the IPP sentence. The government's projection remains that there will be nearly 100,000 adults in prison by 2026, driven by longer sentences, a greater proportion of sentences spent in custody, and increased detections and prosecutions due to increased police numbers.

- *Provide detailed briefing and support during the passage of sentencing legislation, with a view to mitigating the most inflationary aspects of the government's sentencing proposals.*

We led efforts, working very closely with the Howard League and principally in the House of Lords, to secure amendments to the Police, Crime, Sentencing and Courts bill in relation to IPP sentences and to new powers to “re-sentence” people subsequently considered to be dangerous. In the face of an overwhelming government majority in the Commons, we were only able to get a modest reform on IPPs, making referral for consideration of licence cancellation automatic after 10 years, but that is the first change in IPP legislation since 2012. Nevertheless, in the process we have helped form a powerful cross-party coalition in the Lords which will be significant when the Justice Committee publishes its report into IPPs before the summer recess. We gave written and oral evidence to that inquiry, and continued to work very closely with UNGRIPP, an organisation dedicated to the IPP issue and in particular the support of families of people serving that sentence.

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- *Work with the Alliance for Youth Justice and other partners to mitigate the impact of current proposals on the numbers of children incarcerated.*

Securing amendments proved impossible in the face of the government's determination to press ahead.

- *Respond to specific consultations within the root and branch review of parole, and to the findings of the review on completion.*

The root and branch review was not complete by the end of this reporting year, delayed by the departure of one Justice Secretary, Robert Buckland, and the arrival of another with significantly different views – Dominic Raab. We responded to the one element of the review – concerning public hearings – which has been consulted upon. The publication of the review after the end of the reporting year has demonstrated the dramatic impact of that change in leadership and dealing with the very serious and damaging consequences will be a major focus for our work in 2022/23.

- *Publish an update on implementation of the female offender strategy, a briefing to update our "Why focus in reducing women's imprisonment publication", and a 2022 update on local data on incarceration rates by police force area.*

The lack of published data prevented us from updating local incarceration rates. But we punched above our weight in this area despite the very limited resources we can now devote to it. In particular, our forensic analysis of the progress (or lack of it) in implementing the female Offender Strategy bore fruit in a very critical National Audit Office (NAO) report on exactly that topic, leading to a very difficult session before the Public Accounts Committee for the minister and senior officials. There has been a noticeable re-invigoration of the implementation effort as a result. Nevertheless, with others, we continue to highlight the nonsense of a commitment to build 500 new prison places for women when the government's stated aim is to reduce the number of women in prison.

- *Engage with the review of neuro divergence in the Criminal Justice (CJ) system commissioned by the Lord Chancellor.*

We submitted evidence to this review, the fate of which remains uncertain given Robert Buckland's departure.

"*Building Futures*" (BF) is our five-year programme, funded by the National Lottery Community Fund, to examine the challenges facing the very long-term prison population, including how people in that situation are enabled to spend their time in prison in a way which will support their eventual successful reintegration into society.

Within the Building Futures Programme, we said we would

- Establish a network of Building Futures Associates in a small number of prisons.

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By the end of the reporting year we had groups in four prisons (Swaleside, Rye Hill, Aylesbury and Low Newton (women)) with plans for a further three.

- *Grow the current Building Futures Prisoner Network to provide a broader base for consultation and involvement.*

Around 340 prisoners have now joined the Building Futures network, and we have developed a sophisticated database to allow us to analyse what they have to tell us.

- *Begin, in collaboration with Ben Jarman from the Cambridge Prison Research Centre, a study of the parole process for the BF cohort, with specific attention to the frequency of earliest possible release, and common routes to recall.*

This crucial project was a main focus over the reporting year and produced a very detailed paper about progression within the system for long term prisoners. That paper will form the basis of a report to be published in the summer of 2022.

- *Publish a detailed factsheet reflecting the characteristics of the BF cohort, and provide a baseline for key measures under the programme.*

We published this unique analysis in the summer of 2021.

- *Seek HMPPS approval for an in-house research project on “alternatives to institutionalisation”, designed to learn from the BF cohort how people draw meaning and hope from within their circumstances, as a driver for policy discussions with the long-term estate.*

Despite the cessation of all research permission during the pandemic, we were able to secure agreement to carry out and complete a preliminary survey for this project.

- *Begin work on a briefing to consider the issues for the BF cohort of “ageing inside”, with a particular focus on the transition from young adulthood.*

This was in its early stages by the end of the reporting year and will be an early priority for the next 12 months.

- *In collaboration with Marie Hutton of University of Sussex, publish a report drawing on our consultation with prisoners and family members about family relationships during very long sentences.*

We use the evidence that was gathered to support a strand within the project on women serving long sentences in particular.

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- *In collaboration with Serena Wright, of Royal Holloway, publish a briefing on the distinctive challenges for women serving very long sentences, and as part of this work form an Active Women's Group within the BF cohort to inform the programme throughout its existence.*

"Invisible women" was published in the summer of 2021, and has led to the formation of one network group in Low Newton, with another planned for HMP Send.

- *In collaboration with the Prisoner Policy Network (PPN) consult prisoners on the issue of the mixing of people serving long and short-term sentences, and of young adult prisoners with older prisoners.*

We have not been able to complete this work, which will be picked up as part of the "Ageing Inside" strand.

- *Work with colleagues in the Scottish Prisoner Advocacy and Research Collective (SPARC), based at Glasgow University, to develop prisoner engagement for the programme in Scotland.*

Although hampered by the pandemic, these links have been established.

In addition, David Maguire, representing PRT as the only external body invited to sit on a scrutiny panel looking at the future of interventions within prisons, was able to represent what prisoners have told us about the significant challenges and shortcomings with intervention programmes. Having been part of the panel since September 2019 up until its conclusion in January 2022, PRT's contribution was recognised by the HMPPS deputy director of reducing reoffending as: *"unique input, {that} provided important insights and challenged our thinking to the benefit of the overall programme... {we} have valued your commitment and input as we have edged towards a potential new approach to accredited programmes."*

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

This time last year we said we would:

- *Continue to support the work of the Independent Commission into the Experience of Victims and Long-Term Prisoners (ICEVLP) (Bishop's Commission), with the expectation of publication of a report in the summer and a programme of dissemination to follow.*

The Commission's report was published on 16 June, after the end of this reporting year – a delay occasioned largely by a desire to secure coverage on Radio 4, which we achieved. In the event, it has coincided with a serious attack by the government on the prospects for progression of indeterminate and long sentence prisoners. There has never been a more important moment for a

balanced and thoughtful contribution to the issue of how the most serious crime should be punished and the people who commit it given some hope for the future.

- *Review the operation of the Advice and Information (A and I) service in the light of easing restrictions and our experience of new working methods during the pandemic.*

A and I has adapted ceaselessly, all under the pressure of an unprecedentedly high workload, including a record number of safeguarding contacts.

- *Continue to refresh information resources for prisoners and families, and in particular for people serving indeterminate sentences.*

This work has continued, though hampered by the sheer volume of casework

- *Circumstances permitting, recruit a further Release on Temporary Licence (ROTL) trainee later in the year.*

Circumstances did not permit, unfortunately, with significantly reduced ROTL from prisons all year. The absence of a trainee placed even more pressure on the rest of the A & I team.

- *Undertake a small-scale study of the obstacles to controlled but widespread internet access in prisons for prisoners.*

This project is nearing completion.

- *Take forward the proposal to work with HMPPS on the involvement of prisoners in recruitment and training of prison officers.*

After several years of trying, we finally found a sympathetic policy contact in HMPPS for this work and plan to take it forward with the deputy director for the female estate.

- *Work closely with HMPPS officials as they develop their thinking on recovery from the pandemic, taking opportunities in particular to feed in the perspective of prisoners and press for prisons to make prisoner involvement a standard element of their planning and delivery.*

We have had monthly meetings with this team, and they have made extensive use of Covid Action Prisons Project: Tracking Innovation, Valuing Experience(CAPPTIVE) and other PRT outputs. This has been one of the most important areas of activity during the reporting period, and we are optimistic that despite operational and political headwinds, it will produce a positive and principled framework for what life in prison should be like for the people who live there. It has underlined the importance of our work to engage prisoners in the policy process. On this theme we said we would:

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- *Support the work of the Positive Pathways for Prisoners programme (funded by Porticus) through a Prisoner Policy Network (PPN) consultation on family contact.*

We did this in the context of the Building Futures programme.

- *Use the PPN database to generate snapshots of PPN communications to share internally alongside A and I data to inform PRT's corporate awareness of issues of both immediate and persistent concern.*

This is not yet in operation, and remains an ambition for 2022/23.

- *Subject to funding, provide a discrete PPN focus for young adults (up to the age of 30), and a report reflecting their experience of custody.*

We are taking this forward specifically in the context of young adult women, and expect to complete early in the new reporting year.

- *Produce a 4th CAPPTIVE report bringing together the project's findings, with an emphasis on learning for recovery.*

This was overtaken by a separate CAPPTIVE consultation to inform future regime design, producing the report "It doesn't have to be like this".

There are over 1000 PPN members, including a growing community of people who have joined in prison but now left. PPN members have been active in numerous focus groups and discussion workshops, with the Prison Leavers project on therapeutic interventions, and resettlement passport, as well as user design of phone apps for those with learning disabilities and acquired brain injury. They have taken part in discussions about the trial and plea bargaining process with a partner organisation Fair Trials, and on prisoner experiences of interventions for heroin use whilst in prison as well as work with the Nuffield Trust on women's healthcare.

PPN team members and PPN community members continue to be sought out for membership of Advisory Boards for university research and are currently engaged in projects with:

- University of York on healthcare in prison under Covid
- University of Manchester on women's experience of self-harm in prison
- University of Manchester on continuity of Care for women who self-harm post release
- University of Manchester on women's social care needs in prison
- University of Southampton on women's experiences of diversion from custody in residential settings
- Ministry of Justice (MoJ) Innovation Unit on improving outcomes for care experienced prisoners in the Midlands

The PPN team has continued to work very closely with Unlocked Graduates, with team members being involved in the recruitment and assessment process, induction training, as well as hosting a panel discussion at the Unlocked Graduates Summer conference with 4 PPN members, One PPN member was supported to secure a paid role with Unlocked Graduates to work as a trainer at the Summer School. The team led a session for officer keyworkers at Highpoint prison to discuss the challenges of key working with IPP prisoners.

The team's head, Paula Harriott, has undertaken multiple speaking engagements, most notably in the Channel Islands for Lloyds Bank Foundation, including a visit to Guernsey Prison. She has presented to the strategy team of the Save the Children global fund about the need to focus resources on support for the children of incarcerated parents. In Northern Ireland and Scotland, she has been working to support the launch of lived experience networks. The Secret life of Prisons podcast continues to flourish and was yet again nominated in the Radio Academy awards as one of the top five independent podcasts.

Promoting equality and human rights in the justice system

This time last year we said we would:

- *Restart Active Citizens workshops if restrictions permit.*

This was not possible because of the restrictions in prisons, but a workshop was completed in HMP Belmarsh shortly after the year's conclusion.

- *Continue our challenge to the rollout of Pelargonic Acid Vanillylamide (PAVA) spray and ensure Her Majesty's Prison and Probation Service (HMPPS) is held to account for the way it is used.*

We finally secured a first meeting of an expert advisory panel with external membership to oversee the use of force generally, including PAVA. We have received monthly updates on the use of PAVA specifically and meet with the relevant officials every couple of months to review. Encouragingly, we have also been shown an unpublished but updated evaluation of the 4 original pilot sites for PAVA. We continue to liaise with the Equality and Human Rights Commission (EHRC,) since the data shows disproportionate use against people from ethnic minorities, and a continuing absence of data on people with disabilities. Our view is that the care taken over evaluation and the still very slow progress of the national rollout of PAVA may owe something to the degree of very detailed scrutiny and challenge we have provided. The importance of external involvement in an expert advisory group is that we will be able to share that role with bodies like the inspectorate and independent advisory panel on deaths in custody amongst others. The Chief Inspector continues to take a close and helpful personal interest, with prison reports regularly commenting on the issue.

- *Continue membership of the External Advice and Scrutiny Panel (EASP), and press for greater accountability over the way equality impact assessments are responded to in the formation of policy, and specifically in relation to the White Paper on sentencing.*

We have done this and highlighted the inadequacy of equality assessments for both the Police, Crime, Sentencing and Courts (PCSC) bill and the Prison Strategy white paper. We have not yet secured the publication of the HMPPS Race Action Programme.

- *Contribute to the strategic review of the children's estate and press for the use of specialist and high-quality provision in preference to Young Offenders Institutions YOIs where the opportunity arises.*

The review has stalled, partly because of the pandemic but also with significant changes in personnel in both Youth Justice Board (YJB) and HMPPS. But it also owes much to the disastrous failure of both Rainsbrook and Oakhill STCs during the year and the firefighting that all of those involved in the system have been doing as a result. The "secure school" at Medway appears no closer to opening. So the opportunity to press for the strategy that is still desperately needed has been minimal.

- *Continue our membership of the Advisory Board on Female Offenders (ABFO) and ensure that the distinctive experience of women is reflected in all our work (as evidenced in objectives earlier in this paper).*

We contributed fully both to the decision in the National Audit Office (NAO) to review the implementation of the Female Offender Strategy and to the review itself. Its conclusions referenced PRT directly and rested heavily on the analysis which we provided. We can say with confidence that we have forced the department to give this the attention which it has been denied since the strategy was published in 2018. We continue to be a major voice in this area, and to punch above our weight.

PRT Associate Sarah Beresford is continuing the work on Child Impact Assessments for children with a mother in the criminal justice system. It has been agreed that Sarah will produce a toolkit (to be published in October 2022) that can be used by any relevant partnership groups (e.g. Criminal Justice Boards, local authorities, Women's Alliances, etc.) to pilot the use of Child Impact Assessments. The toolkit will clarify the purpose of a Child Impact Assessment and will explore how this might be used at every stage of a mother's journey (arrest, court, imprisonment or community sentence, release) to ensure children are meaningfully and appropriately involved in decision-making about any support they may need.

Drawing on a year-long consultation process, which has given rise to a wide range of feedback from children and mothers with lived experience, statutory and voluntary sector staff who support them, as well as policy makers, the toolkit will comprise case studies and practical tools (e.g. a podcast) to paint a picture of how the Child Impact Assessment might be piloted in various contexts.

- *Carry out a PPN consultation focused on race.*

In the event, the persistence of the pandemic meant that we devoted PPN energies to continuing the work of reflecting the prisoner experience of lockdown and, latterly, to informing the work to design new post-pandemic regimes. But with the assistance of the PPN advisory board, the groundwork for this consultation was completed and it has been launched in May 2022.

Learning difficulties and disabilities

Over the last decade, PRT played a prominent role in highlighting the discrimination suffered by people with learning difficulties and disabilities, helping to transform the provision of liaison and diversion services in the criminal justice system. That leadership has, for a number of years, been recognised by the Open Society Foundation, which has again provided very substantial funding for the PRT colleague who leads that work, Jenny Talbot OBE, to co-ordinate a major international programme to promote awareness and good practice overseas and continue the learning process within the UK.

Around the globe, people with disabilities confront unfairness and discrimination in justice systems: from interactions with law enforcement, to reporting crimes, restrictions on serving as witnesses, appointing and instructing defence counsel, and lack of accommodations for participating in legal processes. Law enforcement and justice systems continue to play a role in depriving people with disabilities of their liberty through involuntary psychiatric commitment and other forms of forced institutionalisation. People with disabilities are over-represented in jails and prisons. Deep-seated assumptions about the capacity of people with disabilities reinforce inequitable access to justice. These are rooted in discriminatory laws and policies denying personhood and participation, and are frequently compounded by systemic racism, classism, sexism, and heteronormativity.

Two years ago, the Open Society Foundations (OSF) began developing a global Hub of activists from the disability and criminal justice fields involved in cutting-edge reform efforts in their respective regions. These include Africa, Asia, Europe, and the Americas. Pooling their expertise, members of the Access to Justice Knowledge Hub (the Hub) work to create new standards and tools to challenge discrimination and ensure justice systems function in line with the Convention on the Rights of Persons with Disabilities (CRPD).

To date, the work of the Hub has been organised around three interrelated areas, and each of these will be explored during the 2022 inaugural Access to Justice Institute, facilitated by Jenny Talbot with support from PRT colleagues:

- Reimagining community safety and policing
- Justice Intermediaries
- International standards and a new paradigm to conform to the CRPD (Crux legal issues).

Following the Institute, and with input from our new Fellows, it is expected that new areas of work will be developed to continue to build upon existing activities.

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

Under this heading we said we would:

- *Collaborate in the production of further "Secret Life of Prisons" podcasts.*

Further podcasts have been produced, notably one featuring Jimmy McGovern discussing the TV series "Time".

- *Continue to run the writing competition.*

This fell victim to Covid, and in particular to the fact that both education departments and libraries, on which we depend to encourage participation, were largely not operating in prisons.

- *Publish Bromley briefings in June and December.*

Both editions have been published, although we have moved the December version to January on a permanent basis to make sure we can incorporate the most up to date numbers. The January edition's opening section, on public knowledge about sentencing, has helped secure a Justice select committee inquiry promised for 2022/23.

- *In June publish a 40th anniversary history of PRT, both to inform and to support fundraising.*

The history has been published, and we believe contributed to a surge in individual donations in December and January.

- *Publish briefings under the Bromley brand on Home Detention Curfew (HDC) and overcrowding.*

We published the HDC briefing in April 2021 but decided not to pursue the overcrowding briefing for lack of fresh data.

- *Continue the dissemination of findings from 2020 reports on the employment of people convicted of sexual offences, and the recall of IPP prisoners.*

We have had more traction on IPPs than on the first report. The "No life, no freedom, no future" report was regularly quoted in the progress of the PCSC bill and formed the substance of our evidence to the Justice Committee inquiry on IPPs. Dr Mia Harris gave expert oral evidence to that committee based on the report.

- *Test the potential for using Measuring the Quality of Prison Life (MQPL) data against hypotheses about prison life, with a view to securing HMPPS approval for the formal use of that data in an agreed research proposal.*

IT and capacity issues have made this go more slowly than we wanted, but we are now testing some simple hypotheses against the data.

- *Continue to provide the secretariat for the All-Party Group on Penal Affairs (APPG).*

The APPG has continued to operate remotely, and we have a new chair in Paula Maynard MP, following the retirement of Lord Ramsbotham.

- *Complete the re-design of the PRT website.*

This was completed shortly after the end of the reporting year and represents both a major improvement and the fulfilment of a long-held ambition.

- *Hold further online seminars as part of our dissemination work.*

We hosted a successful webinar on PRT's 40th birthday history.

- *Continue to maintain a strong media presence, including prisoner facing media such as Inside Time and National Prison Radio.*

We have achieved this against the odds, given the overwhelming news focus on the pandemic. Our links with both Inside Time and Prison Radio are very strong, and both have played a key role during the extended lockdown of the last two years. They have been key to recruiting members for both the PPN and Building Futures networks.

We continue to devote resource to making detailed and persuasive response to consultations. In the reporting year we responded to the following consultations:

- Human Rights Act Reform: A Modern Bill of Rights.
- Prisons Strategy White Paper response.
- Delivering Justice for Victims MoJ consultation.
- Public Accounts Committee inquiry on improving outcomes for women in the criminal justice system.
- Mayor's Office for Police and Crime (MOPAC) Police and Crime Plan 2021-25.
- Sentencing Council consultation on miscellaneous amendments to sentencing guidelines.
- Justice Committee inquiry on IPP sentences.
- Sentencing Council burglary offences draft guidelines.
- Sentencing Council sexual offences draft guidelines.
- Justice and Home Affairs Committee inquiry into new technologies in law enforcement.
- Submission to the Independent Advisory Panel (IAP) on Deaths in Custody on mental health recovery after the Covid-19 pandemic.
- Justice Committee inquiry on mental health.
- Prisoners' Property Policy Framework.

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- Joint Committee on Human Rights (JCHR) legislative scrutiny of the Police, Crime, Sentencing and Courts Bill.
- Reforming the Mental Health Act.
- Independent Human Rights Act Review.

Charity Governance Code

The trustees undertook a review and assessment of PRT, using the Charity Governance Code and the seven principles, (leadership, integrity, decision-making, risk and control, board effectiveness, diversity, openness and accountability) which all underpin organisational purpose. The review resulted in a revised Equalities, Diversity and Inclusion policy and statement.

Priorities and new work for 2022/23

Predicting our future environment has always been difficult, but the uncertainties that continue to surround public health, the disintegration of normal political life, the crisis in cost of living and the continuation of a major European war all conspire to make the next 12 months even more uncertain than usual. Already, the government has delivered a Queen's speech which has the potential to occupy a good deal of our energy. It is far from clear whether legislation on radical and unwelcome changes to the parole system will be brought forward, but administrative changes already announced create much the same need for us to lobby intensively for their reversal or mitigation. A major assault on the human rights of prisoners seems certain the context of the proposed Bill of Rights, and we are already liaising with others in civil society whose interests go well beyond prisons.

IPP reform will remain a key priority, where the report due from the Justice Committee in the summer should provide a lever to return to subjects raised during the PCSC Bill. They will also include race, where the major project for the PPN this year will be an investigation into how prisoners' experience is affected by their race and creating opportunities to promote the long-term debate on sentencing called for by the Independent Commission into the Experience of Victims and Long-Term Prisoners (ICEVLP) report.

However, an implication of a policy environment where so much has already been promised is that our attention should properly also be focused on the detail of how policy can best be implemented. This is where prisoner participation through the PPN, the Building Futures programme and the day-to-day insight we gain from the advice and information service has so much to contribute. Contributing to the design of future regimes remains a key priority.

Research has been difficult during the pandemic, with access limited both by the suspension of the HMPPS approvals process and of course by the difficulty of getting into prisons. We will soon complete a study into the use of ICT in prisons, but we have also been laying the groundwork for research which will use the immense amounts of data available to us because of an agreement to access MQPL survey outcomes, and through the government's "datafirst" programme which is gradually releasing data from the last 10 years drawn from operational information systems in

police, courts, prison and probation settings. We also hope to be able to start work on a study of how prisoners can contribute to the recruitment, development and appraisal of prison officers.

The list of specific objectives we suggest for 2022/23 reflects this context:

Change who goes to prison and for how long

- Use the publication of the Justice Select Committee report on the IPP sentence to press for the publication of action plans for both prisons and probation that will improve release rates and reduce recalls; and continue to collaborate closely with officials in tracking progress against those plans.
- Respond to the root and branch review of parole, and in the context of the Building Futures programme, investigate the potential for more decisions to be both timely and positive in the parole process.
- Continue to play an active role in tracking progress against the Female Offender strategy, including an updated briefing on local arrest and imprisonment rates if the data is made available.
- Within the Building Futures programme
 - Establish additional network groups in 3 further prisons, and ensure an active participative prisoner membership across the UK.
 - Publish a report on progression.
 - Apply for permission to research “alternatives to institutionalisation”, and begin the fieldwork for it.
 - Publish a report on “Ageing Inside.”
 - As part of the “Invisible Women” stream, publish a briefing that highlights priorities women in prison have already identified to us, including reproduction rights, the menopause, and a wider choice of vocational/ meaningful activities that are not based on gender stereotypes.
 - Establish policy and participation links in Scotland and Northern Ireland for the programme.
- Establish “outcome harvesting” as a supporting methodology for the programme’s independent evaluation.

Improve life in prison

- Launch the report of the ICEVLP (Bishop’s Commission) and support Bishop James in a programme of follow-up meetings and events.
- Within the Advice and Information (A and I) service, continue the updating of information resources and seek to have them online in prisons with in-cell ICT.
- Recruit a new ROTL trainee.
- Publish a report on safe internet access in prisons.
- Drawing on PPN insight and participation, work closely with HMPPS officials as they develop the framework for future regimes, including performance indicators.

- Working with the Youth Custody Service (YCS) and a wide range of other public authorities and voluntary sector organisations, highlight the deteriorating conditions within YOIs and Secure Training Colleges (STCs) and champion the development of improved measures to safeguard and hold safely children in custody.
- Plan and host jointly with NACRO a conference on how prison regimes can support successful resettlement.

Get the facts about prison and prisoners better known

- Publish Bromley briefings in July 2022 and January 2023.
- Track the government's progress against commitments in the Prison Strategy White Paper.
- Launch the new PRT website.
- Maintain a strong media presence, both external and prisoner-facing.
- Run a writing competition in 2022.
- Use the PPN database to generate snapshots of insight on current issues.
- Continue to extend the reach of the PPN's influence through collaborations with academic studies and other consultative initiatives in various sectors, and by supporting MoJ/HMPPS efforts to increase service-user participation generally.
- Pursue plans for research based on the use of MQPL and "datafirst" data.
- Provide a programme of high-profile speakers for the APPG.

Promote equality and active citizenship

- Hold active citizens workshops in Belmarsh and Aylesbury.
- Carry out a major PPN consultation on race.
- Maintain our memberships of EASP.
- Continue as an active member of successor arrangements to ABFO and in any event track progress against the Female Offender Strategy.
- Publish a briefing on young adult women in custody.
- Continue to press for a clear long-term strategy for children in custody.
- Continue to challenge the rollout of PAVA spray, and play an active role in the formation of new national independent oversight arrangements for Use of Force.
- Take forward the work identified at the inaugural meeting of the OSF-funded Access to Justice Institute.

Conclusion

The operating context for prisons in 2022/23 looks set to be extremely challenging, with rising prisoner numbers and the real prospect of falling staff numbers. We should expect a good deal of our attention to be given over to the issues that creates, informing the public and pressing ministers to mitigate impacts which are the product to a large extent of policy choices that they have made. It is entirely possible that we will also continue to be dealing with a system hobbled by Covid-related restrictions. Given the hostile policy climate, it makes sense for us to play to our strengths of influence behind the scenes, constant attention to detail, and, increasingly, of

securing the influence of prisoners in the decision-making processes that determine their futures. Though it is already clear that the appetite to use prison issues for political advantage continues unabated and our skills in parliamentary and media facing work will once again be required more than we might have anticipated. We must continue to balance our interest in the long term – reducing the unnecessary use of imprisonment – with the short-term imperative to improve conditions for people in prison now and protect their human rights.

This will be the final year of our current 5-year strategic plan, and we will consult over the summer and autumn to inform the production of a new 5-year strategic plan to begin in April 2023.

Structure, governance and management

Governing document

The company is established under a memorandum of association, which sets out its objects and powers as a charitable company and is governed under its articles of association. The Prison Reform Trust is currently working to a five-year strategic plan, published in June 2018. Work to create a new five-year strategic plan, beginning in 2023, is underway.

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page one. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2022 was 15, (31 March 2021:14)

Organisation

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

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

Prison Reform Trust

Trustees' annual report

For the year ended 31 March 2022

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

Remuneration policy

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

James Timpson OBE has been the Chair since April 2016. Following a process by which the Staffing and General Purposes Sub-Committee considers the board's needs in terms of its overall experience and skills, and the diversity of its membership, new trustees are invited to join the board. Two trustees stepped down during the financial year (Ann Hagell and Michelle Nelson). Three trustees joined during the financial year (Shadae Cazeau, David Gauke and Rebecca Page).

Trustee induction and training

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

Financial review

In the financial year 2021/22 overall income exceeded expenditure by £279,760 (2021: income exceeded expenditure by £15,806). Total incoming resources for the year to 31 March 2022, including legacies, grants and donations, was £1,906,759, compared to £1,493,191 in 2021.

Income included a grant from the Open Society Foundation of £435,350. Unusually, this sum is to span three years of programme expenditure and was paid upfront it is restricted to a single programme.

Unrestricted grant, donation, subscriptions, and legacy income shows an increase of approximately 21% (£83,319) from £390,460 in 2021 to £473,779 in 2022, (note 2).

Included in 'Other trading activities' in the Statement of Financial Activities are fee income of £56,101 and a reimbursement of £2,154, giving a total of £58,255. In 2021, 'Other trading activities' comprised £35,851 fee income and £115,382 furlough income, totalling £151,233. No furlough income was claimed in 2022. Overall unrestricted income was £530,069, a decrease of £12,045 from 2021 (£542,114).

Prison Reform Trust

Trustees' annual report

For the year ended 31 March 2022

The Northmoor Trust made a donation in 2019 and this was designated, to specific purposes by trustees who agreed to use the designation largely over three financial years from 2019. £97,179 remains from £500,000 after this third financial year. The residual funds will be used to cover new roles created as a result of the funding for an additional year.

Restricted income shows approximately 45% increase of £425,613, from £951,077 to £1,376,690. This is explained by the receipt of three years of funding for the Open Society Foundation programmes in the 2022 financial year (£437,504).

Further details of funders who generously provided support for restricted funding programmes during the year are shown in note 14.

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

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

Legacies derived from the estates of Margaret Bryer, Janet Trevelyan, Jill Stephenson, Hans Toch and Averil Stedeford, (note 2).

Total resources expended in the year amounted to £1,626,999, compared to £1,477,385 in the previous financial year, an increase of approximately 10% and amounting to £149,614. Net assets at the year-end totalled £1,530,321 of which 5% were represented by fixed assets. The charity's net liquid assets at the year-end covered approximately 10 months' total operating costs.

In the 2021/22 financial year the Prison Reform Trust deployed unrestricted reserves to support programmes in the sum of £15,461 (2021: £25,280). This is shown as 'Transfers between funds' in the Statement of Financial Activities, and is further detailed in note 15a.

Principal risks and uncertainties

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

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

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

Operationally, the political upheavals referred to above have posed significant challenges for an organisation devoted to strategic reform. Our ability to build new relationships quickly has been tested and found to be in good order, bolstered by the quality of evidence and analysis which we are able to provide.

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

Reserves policy and going concern

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

Free reserves, which are unrestricted funds not designated or held as fixed assets, total £367,669 (2021: £339,677) for the financial year (approximately 2.5 months total expenditure on 2022 results). Restricted funds total £987,373 (2021: £567,783), 7.5 months total expenditure. Together, amounting to £1,355,042, 10 months expenditure, (2021: £907,460, 7.3 months).

Designated funds consist of cash of £97,179 (2021: £261,451) which will be spent over the next financial year, (on extensions of posts created as a result of the designated funding), and a lease with a value of £78,100.

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

Fundraising

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

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

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

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

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

Statement of responsibilities of the trustees

The trustees (who are also directors of Prison Reform Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Prison Reform Trust

Trustees' annual report

For the year ended 31 March 2022

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 15 (2021: 14). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

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

The trustees' annual report has been approved by the trustees on 22 September 2022 and signed on their behalf by

James Timpson OBE
Chair

Independent auditor's report

To the members of

Prison Reform Trust

Opinion

We have audited the financial statements of Prison Reform Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Prison Reform Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

Prison Reform Trust

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, the financial year for which the financial statements are prepared is consistent with the financial statements.
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

Independent auditor's report

To the members of

Prison Reform Trust

- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

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

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

Prison Reform Trust

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

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

Independent auditor's report

To the members of

Prison Reform Trust

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

28 October 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Prison Reform Trust

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

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Grants, donations and legacies	2	473,779	–	473,779	390,460	–	390,460
Charitable activities	3						
1 Reducing unnecessary imprisonment		–	518,793	518,793	–	532,291	532,291
2 Improving treatment & conditions for prisoners and their families		–	314,993	314,993	–	224,993	224,993
3 Promoting equality and human rights in the justice system		–	435,350	435,350	–	114,800	114,800
4 Informing the public, Parliament and policy development		–	105,400	105,400	–	78,993	78,993
Other trading activities		56,101	2,154	58,255	151,233	–	151,233
Interest		189	–	189	421	–	421
Total income		530,069	1,376,690	1,906,759	542,114	951,077	1,493,191
Expenditure on:							
Raising funds		30,000	–	30,000	30,000	–	30,000
Charitable activities							
1 Reducing unnecessary imprisonment		305,974	401,199	707,173	333,195	370,212	703,407
2 Improving treatment & conditions for prisoners and their families		193,576	314,574	508,150	210,797	232,505	443,302
3 Promoting equality and human rights in the justice system		43,711	149,448	193,159	47,599	64,627	112,226
4 Informing the public, Parliament and policy development		81,177	107,340	188,517	88,398	100,052	188,450
Total expenditure	4	654,438	972,561	1,626,999	709,989	767,396	1,477,385
Net income / (expenditure) for the year	5	(124,369)	404,129	279,760	(167,875)	183,681	15,806
Transfers between funds	15	(15,461)	15,461	–	(25,280)	25,280	–
Net movement in funds		(139,830)	419,590	279,760	(193,155)	208,961	15,806
Reconciliation of funds:							
Funds brought forward		682,778	567,783	1,250,651	875,933	358,822	1,234,755
Total funds carried forward		542,948	987,373	1,530,321	682,778	567,783	1,250,561

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

Prison Reform Trust

Balance sheet

Company no. 2906362

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	10		78,100		81,650
Current assets:					
Debtors	11	62,333		31,747	
Cash at bank and in hand		1,446,117		1,177,935	
			1,508,450	1,209,682	
Liabilities:					
Creditors: amounts falling due within one year	12	(56,229)		(40,771)	
Net current assets			1,452,221		1,168,911
Total net assets			1,530,321		1,250,561
The funds of the charity:	15				
Restricted income funds			987,373		567,783
Unrestricted income funds		367,669		339,677	
Designated funds (Northmoor Trust)		97,179		261,451	
Designated funds (lease)		78,100		81,650	
Total unrestricted funds:			542,948		682,778
Total charity funds			1,530,321		1,250,561

Approved by the trustees on 22 September 2022 and signed on their behalf by

James Timpson OBE
Chair

Prison Reform Trust

Statement of cash flows

For the year ended 31 March 2022

Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	279,760	15,806
Depreciation charges	10,077	13,584
Interest income	(189)	(421)
Increase in debtors	(30,586)	57,791
Increase in creditors	15,458	24,485
Net cash from/(used in) operating activities	274,520	111,245

	2022 £	£	2021 £	£
Net cash from/(used in) operating activities		274,520		111,245
Cash flows from investing activities:				
Interest income	189		421	
Purchase of fixed assets	(6,527)		(10,034)	
Net cash used in investing activities		(6,338)		(9,613)
Change in cash and cash equivalents in the year		268,182		101,632
Cash and cash equivalents at the beginning of the year		1,177,935		1,076,303
Cash and cash equivalents at the end of the year		1,446,117		1,177,935

1 Accounting policies

a) Statutory information

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

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

b) Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

c) Public benefit entity

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

d) Going concern

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

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

The impact of the Covid-19 pandemic has been considered. There are no post-balance sheet events that require adjustments in the accounts or disclosure in the notes to the accounts. The lease asset has not been impaired and no borrowings are held. Income, largely through grants, has yet to be materially affected. Office premises were open throughout the financial year, the government staff retention scheme was not accessed. There is no current assessment that staff contracts will be affected, other than in the normal course of events, in the period to September 2023. The majority of staff are subject to one-month notice periods, with three subject to three-month notice periods.

e) Income

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

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

f) Legacies

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

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

g) Donations of gifts, services and facilities

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

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

h) Interest receivable

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

i) Fund accounting

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

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

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

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

j) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

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

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

k) Allocation of support costs

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

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

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

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

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

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

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

l) Operating leases

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

m) Tangible fixed assets

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

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

- | | |
|-----------------------|------|
| ● Leasehold property | 2% |
| ● Computer equipment | 100% |
| ● Fixtures & fittings | 25% |

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors

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

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

q) Pensions

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

2 Income from charitable activities (unrestricted)

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Grants (see below for list of funders)	257,000	-	257,000	274,192	-	274,192
Gifts & donations	146,671	-	146,671	111,268	-	111,268
Legacies	70,108	-	70,108	5,000	-	5,000
Other	56,290	-	56,290	151,654	-	151,654
	530,069	-	530,069	542,114	-	542,114
Unrestricted charitable activity—Grants						
Esmée Fairbairn Foundation	60,000	-	60,000	50,000	-	50,000
Hadley Trust	70,000	-	70,000	50,000	-	50,000
J Leon Charitable Fund	-	-	-	25,000	-	25,000
Alchemy Foundation	30,000	-	30,000	30,000	-	30,000
AB Charitable Trust	40,000	-	40,000	40,000	-	40,000
Other	57,000	-	57,000	79,192	-	79,192
Total unrestricted income from charitable activities	257,000	-	257,000	274,192	-	274,192

Legacies derived from the estates of: Margaret Bryer (£2,000); Janet Trevelyan (£1,000); Jill Stephenson (£24,637); Hans Toch (£35,804) & Averil Stedford (£6,667).

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

3 Income from charitable activities (restricted)

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Reducing unnecessary imprisonment						
Big Lottery	-	-	-	-	27,416	27,416
National Lottery	-	518,793	518,793	-	504,875	504,875
Sub-total for reducing unnecessary imprisonment	-	518,793	518,793	-	532,291	532,291
Improving treatment and conditions for prisoners and their families						
Hadley Trust	-	130,000	130,000	-	150,000	150,000
Porticus UK Foundation	-	84,993	84,993	-	49,993	49,993
Goldsmiths' Company	-	30,000	30,000	-	-	-
Blagrove Trust	-	30,000	30,000	-	-	-
Rank Foundation	-	10,000	10,000	-	-	-
Lankelly Chase Foundation	-	30,000	30,000	-	-	-
AB Charitable Trust	-	-	-	-	25,000	25,000
Sub-total for improving treatment & conditions for prisoners & their families	-	314,993	314,993	-	224,993	224,993

Notes to the financial statements

For the year ended 31 March 2022

3 Income from charitable activities (restricted) continued

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Promoting equality & human rights in the justice system						
The Open Society Foundation	-	435,350	435,350	-	114,800	114,800
Other	-	2,154	2,154	-	-	-
Sub-total for promoting equality & human rights in the justice system	-	437,504	437,504	-	114,800	114,800
Informing the public, Parliament & policy development						
The Bromley Trust	-	40,000	40,000	-	30,000	30,000
Rank Foundation	-	-	-	-	-	-
Persula Foundation	-	20,000	20,000	-	-	-
Barrow Cadbury Trust	-	45,400	45,400	-	19,000	19,000
Porticus UK Foundation	-	-	-	-	29,993	29,993
Other	-	-	-	-	-	-
Sub-total for informing the public, Parliament & policy development	-	105,400	105,400	-	78,993	78,993
Total restricted income from charitable activities	-	1,376,690	1,376,690	-	951,077	951,077

Prison Reform Trust

Notes to the financial statements

For the year ended 31 March 2022

4a Analysis of expenditure (current year)

	Charitable activities							2022 Total £	2021 Total £
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £		
Staff costs (Note 6)	19,241	259,036	240,249	38,349	71,174	-	497,833	1,125,882	1,119,654
Travel, training & subsistence	-	10,603	12,412	2,186	58	140	7,149	32,548	6,603
Research & consultancy fees	-	26,552	19,751	63,581	850	-	46,888	157,622	100,199
Events, legal & professional fees	-	-	658	23,686	-	-	688	25,032	-
Office & premises	-	-	-	-	-	-	3,287	3,287	21,534
Finance, audit & insurance	-	-	-	-	-	892	18,160	19,052	17,378
Printing & publications	-	4,069	10,220	630	11,853	-	2,236	29,008	45,300
Beneficiary engagement	-	1,256	8,430	-	-	-	60	9,746	10,029
Administration & support	-	95,581	5,000	6,034	2,760	-	(109,375)	-	-
Depreciation	-	-	-	-	-	-	10,077	10,077	13,584
Other costs	10,759	4,102	17,854	14,982	20,645	445	145,958	214,745	143,104
	30,000	401,199	314,574	149,448	107,340	1,477	622,961	1,626,999	1,477,385
Support costs	-	305,250	193,118	43,608	80,985	-	(622,961)	-	-
Governance costs	-	724	458	103	192	(1,477)	-	-	-
Total expenditure 2022	30,000	707,173	508,150	193,159	188,517	-	-	1,626,999	
Total expenditure 2021	30,000	703,407	443,302	112,226	188,450	-	-		1,477,385

4b Analysis of expenditure (prior year)

	Charitable activities							2021 Total £
	Cost of raising funds £	Reducing unnecessary imprisonment £	Improving treatment & conditions for prisoners & their families £	Promoting equality & human rights in the justice system £	Informing the public, Parliament, and policy development £	Governance costs £	Support costs £	
Staff costs (Note 6)	27,787	244,381	162,492	24,207	86,026	-	574,761	1,119,654
Travel, training & subsistence	-	1,065	1,183	2,372	-	-	1,983	6,603
Research & consultancy fees	-	20,151	22,685	27,314	5,775	-	24,274	100,199
Events, legal & professional fees	-	-	-	-	-	-	-	-
Office & premises	-	-	-	-	-	-	21,534	21,534
Finance, audit & insurance	-	-	-	-	-	886	16,492	17,378
Printing & publications	-	3,639	21,769	3,085	4,861	-	11,946	45,300
Beneficiary engagement	-	108	4,620	-	-	-	5,301	10,029
Administration & support	-	93,563	5,000	3,115	2,640	-	(104,318)	-
Depreciation	-	-	-	-	-	-	13,584	13,584
Other costs	2,213	7,305	14,756	4,534	750	-	113,546	143,104
	30,000	370,212	232,505	64,627	100,052	886	679,103	1,477,385
Support costs	-	332,761	210,522	47,537	88,283	-	(679,103)	-
Governance costs	-	434	275	62	115	(886)	-	-
Total expenditure 2021	30,000	703,407	443,302	112,226	188,450	-	-	1,477,385

Notes to the financial statements

For the year ended 31 March 2022

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	10,077	13,584
Auditor's remuneration (including VAT):		
Audit	9,840	9,360
Under accrual from prior year	-	-
Trustee's indemnity insurance	892	886
	<u>892</u>	<u>886</u>

There were no fees for non-audit services.

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	959,844	953,284
Social security costs	98,288	99,817
Employer's contribution to defined contribution pension schemes	53,918	53,434
Employer's contribution to personal pension schemes	13,832	13,119
	<u>1,125,882</u>	<u>1,119,654</u>

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

	2022 No.	2021 No.
£90,000 – £99,999	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and national insurance) of the key management personnel were £98,797 (2021: £96,862).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £140 (2021: £nil) incurred by 1 (2021: 0) member relating to attendance at meetings of the trustees. Training expenses were £nil (2021: £nil). Hospitality and refreshments totalled £445, and insurance £892.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 26 (2021: 26).

Staff deployment

	2022 Approx. head count	2021 Approx. head count
Reducing unnecessary imprisonment	4.5	5.5
Improving treatment & conditions for prisoners & their families	10	9.5
Promoting equality & human rights in the justice system	1.5	1
Informing the public, parliament in the justice system	5	5.5
Support	5	4.5
	<u>26</u>	<u>26</u>

Notes to the financial statements

For the year ended 31 March 2022

8 Related party transactions

One grant was received from 29 May Charitable Trustee for whom a PRT trustee, Elizabeth Rantzen, is also a trustee (2021: none).

Aggregate donations from related parties were £2,200, reimbursement from the Chair, James Timpson, for staff and volunteer Christmas meal (2021: £nil).

9 Taxation

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

10 Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At the start of the year	177,500	44,476	88,797	310,773
Additions in year	–	–	6,527	6,527
At the end of the year	177,500	44,476	95,324	317,300
Depreciation				
At the start of the year	95,850	44,476	88,797	229,123
Charge for the year	3,550	–	6,527	10,077
At the end of the year	99,400	44,476	95,324	239,200
Net book value				
At the end of the year	78,100	–	–	78,100
At the start of the year	81,650	–	–	81,650

All of the above assets are used for charitable purposes.

11 Debtors

	2022 £	2021 £
Other debtors	33,257	12,495
Prepayments	18,376	12,605
Accrued income	10,700	6,647
	62,333	31,747

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	14,744	32,225
Taxation, social security, pensions	261	811
Other creditors	–	1,022
Charge card	4,264	473
Accruals & deferred income (note 13)	36,960	6,240
	56,229	40,771

Notes to the financial statements

For the year ended 31 March 2022

13 Deferred income

Deferred income comprises the annual payment of a grant from Goldsmiths, paid in March 2022 to be used over the course of the financial year commencing April 2022.

	2022 £	2021 £
Balance at the beginning of the year	-	-
Amount released to income in the year	-	-
Amount deferred in the year	30,000	-
Balance at the end of the year	<u>30,000</u>	<u>-</u>

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

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	78,100	-	78,100
Net current assets	367,669	97,179	987,373	1,452,221
Net assets at the end of the year	<u>367,669</u>	<u>175,279</u>	<u>987,373</u>	<u>1,530,321</u>

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

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	81,650	-	81,650
Net current assets	339,677	261,451	567,783	1,168,911
Net assets at the end of the year	<u>339,677</u>	<u>343,101</u>	<u>567,783</u>	<u>1,250,561</u>

Notes to the financial statements

For the year ended 31 March 2022

15a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
National Lottery–Building Futures	375,300	518,793	401,199	-	492,894
Improving treatment & conditions for prisoners & their families					
Advice & information service	41,529	130,000	184,948	13,419	-
Prisoner engagement	18,534	174,993	119,626	-	73,901
Active citizens–improving regimes	-	-	-	-	-
Writing competition	-	-	-	-	-
Independent Commission	-	10,000	10,000	-	-
Promoting equality & human rights in the justice system					
Disability in prison–global	113,750	437,504	149,448	-	401,806
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	4,904	22,700	18,594	-	9,010
Bromley Briefings Prison Factfile	13,493	40,000	55,535	2,042	-
Communications & policy	273	42,700	33,211	-	9,762
Total restricted funds	567,783	1,376,690	972,561	15,461	987,373
Unrestricted funds:					
Designated funds:					
Fixed asset fund	81,650	-	3,550	-	78,100
Northmoor Trust	261,451	-	164,272	-	97,179
Total designated funds	343,101	-	167,822	-	175,279
Unrestricted income fund	339,677	530,069	486,616	(15,461)	367,669
Total unrestricted funds	682,778	-	654,438	(15,461)	542,948
Total funds	1,250,561	1,906,759	1,626,999	-	1,530,321

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

Notes to the financial statements

For the year ended 31 March 2022

15b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Reducing unnecessary imprisonment					
BIG Lottery–Reducing Women's Imprisonment	16,100	27,416	64,421	20,905	–
National Lottery–Building Futures	176,216	504,875	305,791	–	375,300
Improving treatment & conditions for prisoners & their families					
Advice & information service	48,172	150,000	156,643	–	41,529
Prisoner engagement	13,473	49,993	44,932	–	18,534
Active citizens–improving regimes	1,555	–	1,555	–	–
Writing competition	–	–	4,375	4,375	–
Independent Commission	–	25,000	25,000	–	–
Promoting equality & human rights in the justice system					
Disability in prison–global	63,577	114,800	64,627	–	113,750
Informing the public, Parliament & policy development					
All Party Parliamentary Penal Group	4,049	19,000	18,145	–	4,904
Bromley Briefings Prison Factfile	354	30,000	16,861	–	13,493
Communications & policy	23,243	29,993	52,963	–	273
Director salary	12,083	–	12,083	–	–
Total restricted funds	358,822	951,077	767,396	25,280	567,783
Unrestricted funds:					
Designated funds:					
Fixed asset fund	85,200	–	3,550	–	81,650
Northmoor Trust	385,674	–	124,223	–	261,451
Total designated funds	470,874	–	127,773	–	343,101
Unrestricted income fund	405,059	542,114	582,216	(25,280)	339,677
Total unrestricted funds	875,933	542,114	709,989	(25,280)	682,778
Total funds	1,234,755	1,493,191	1,477,385	–	1,250,561

Purposes of restricted funds

In the financial year ended 31 March 2022, the Prison Reform Trust operated the following programmes through restricted funding:

Reducing unnecessary imprisonment

Building Futures: Funded by the National Lottery, this is a five-year programme focusing on long-term imprisonment in the UK.

15 Movement in funds (continued)

Improving treatment & conditions for prisoners and their families

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

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

Independent Commission: This work is supported by the Prison Reform Trust. It is looking at how prison sentences work for the most serious of crimes, and the experience of victims and prisoners. Some funding has been provided by the Rank Foundation.

Promoting equality & human rights in the justice system

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

Informing the public, Parliament & policy development

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

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

Communications & policy: The Persula Foundation supports the communication and policy function.

Transfers

The reason for transfers at the Prison Reform Trust is to apply cash from unrestricted funds to finance a deficit on restricted funds. The total amount transferred from unrestricted funds to finance deficits in restricted programmes totals £15,461 for the financial year (2021: £25,280).

Purposes of designated funds

Designated funds consist of: a single fixed asset fund, representing the lease at 15 Northburgh Street. There remains 22 years at the current rate of amortisation, and

A designated fund established in the 2018/19 financial year from monies donated by the Northmoor Trust. These designated funds will be expended according to the agreement reached by trustees, see the trustees report for more details.

16 Legal status of the charity

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