

PRISONERS' ADVICE SERVICE

FINANCIAL STATEMENTS

31 MARCH 2014

Company Registration Number 3180659

Charity Number 1054495

MICHAEL JELLICOE
Chartered Accountant and Registered Auditor
59 Knowle Wood Road
Dorridge
West Midlands
B93 8JP

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

The trustees present their report and audited financial statements for the year ended 31 March 2014.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity name:	Prisoners' Advice Service
Charity Registration Number:	1054495
Company Registration Number:	3180659
Registered Office:	36 St Johns Lane London EC1M 4BJ

Trustees

The Trustees who served during the year and since the year-end are as follows:

Rikki Garg	Resigned January 2014
Martine Lignon	Chair since January 2014
Lucy Rhodes	Vice Chair since January 2014
Bipasha Raha	Treasurer
Diane Gault	
Rosie Brighthouse	Joined April 2014
Katy Watts	Joined April 2014
Neil Churchill	Resigned January 2014
Selina Haines	Resigned November 2013
Stephanie Harvey	Resigned September 2013
Simon Creighton	Resigned July 2013
Alan Booth	Resigned July 2013

Staff Members

Matthew Evans	Managing Solicitor (until leaving PAS in October 2013)
Lubia Begum-Rob	Race & Religious Discrimination Caseworker (then Joint Managing Solicitor from Oct 2013)
Deborah Russo	Women Prisoners' Caseworker (then Joint Managing Solicitor from October 2013)
Nicki Rensten	Outreach Caseworker
Naomi Lumsdaine	Women Prisoners' Caseworker (additional hours in role from October 2013)
Laura Orger	Community Care Caseworker (returned from maternity leave August 2013)
Nicola Gregory	Locum Community Care Caseworker (until August 2013)
Ben Blackwell	Administrator/Telephone Worker
Swazi Rogers	Development Manager (until September 2013)
Hywel Probert	Development Manager (October 2013 – January 2014)
Adrian Gannon	Fundraising and Communications Manager (from February 2014)

Volunteers

PAS would like to extend a huge thank you to all the volunteers who gave up their time to help the organisation over the last year. More so than ever, the assistance of volunteers is instrumental in sustaining PAS's much needed services.

Bookkeeper	Anne Craig
Independent Examiner	Michael Jellicoe Chartered Accountant 59 Knowle Wood Road Dorridge, West Midlands, B93 8JP
Bank	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

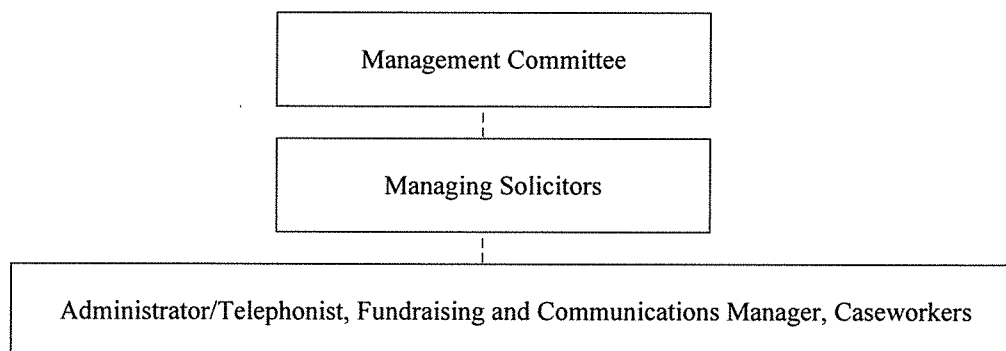
STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Prisoners' Advice Service (PAS) was founded by the Prison Reform Trust, Liberty, Justice, Nacro, Inquest and The Howard League for Penal Reform and formally launched as an independent charity in May 1991. It became a company limited by guarantee on 1st April 1996. and is governed by its Articles of Association.

Management Committee and Organisational Structure

The Management Committee comprises the trustees, who are also directors of the company under company law. All Management Committee members are expected to have an interest in the welfare of prisoners and / or Prison Law. New members have an induction whereby they spend a day shadowing PAS staff members to gain experience of the day-to-day running of the organisation. The basic management structure of PAS is as follows:-



The Management Committee has delegated certain powers to the Managing Solicitors including the day-to-day management of PAS. The Management Committee are directors of the Company in whom all responsibility for the management of PAS is vested by virtue of the Articles of Association. This includes the power to recruit staff to run the Company on a day-to-day basis. They are therefore employers of the staff. As such they are responsible for staff recruitment. Among other things, they are also responsible for ensuring actions taken are in the best interest of PAS. This includes matters of finance. In this capacity they liaise with the Managing Solicitors and Fundraising and Communications Manager at Management Committee meetings to discuss finances among other matters.

The Management Committee currently meets once a quarter. The Committee can vary the frequency, as it feels appropriate. Its responsibilities includes:

- (i) recruitment of staff;
- (ii) receiving regular reports from staff;
- (iii) informing development work;
- (iv) making decisions where any other unit i.e. the staff group, need direction;
- (v) making any other decisions considered appropriate by the committee.

The officers as at 31 March 2014 are:

Chair	-	Martine Lignon
Vice Chair	-	Lucy Rhodes
Treasurer	-	Bipasha Raha
Secretary	-	Lubia Begum-Rob (staff member)

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Risk Review

The Managing Solicitors and Management Committee members are responsible for implementing and ensuring compliance with the risk management strategy. The risk management strategy aims to ensure that appropriate action is taken where a case falls outside acceptable risk levels. Other risks to PAS are considered at the annual review of the business plan, when strengths and weaknesses are considered.

OBJECTIVES AND ACTIVITIES

The charitable aims of PAS as set out in its Memorandum of Association are:

- (i) To relieve and rehabilitate persons held in penal establishments in the United Kingdom.
- (ii) To advance education and relieve poverty among the aforesaid persons and the families and dependants of such persons particularly by the provision of a free service of legal and other advice.
- (iii) The advancement of education of the public and in particular members of the legal profession, in relation to the law relating to the rights of prisoners (which expression shall mean persons who are suffering or have suffered a legal restriction on their liberty in any penal or correctional establishment or through any means whatsoever) and mentally disordered patients within the scope of Part III of the Mental Health Act 1983 and the rights of their families and dependants.
- (iv) The relief of persons in the United Kingdom who are in a condition of need, hardship and distress.

The main activity of PAS is to provide free legal advice and information to prisoners in England and Wales regarding their rights, particularly concerning the application of the Prison Rules and the conditions of imprisonment. PAS also advises and provides training for other organisations and those advising prisoners. PAS takes up prisoners' complaints about their treatment within the prison system on an individual and confidential basis, taking legal action where appropriate.

We have had due regard to the guidance published by the Charities Commission on public benefit when reviewing our aims and intended impact.

Volunteers play a vital role in the day-to-day running of PAS. A maximum of 20 volunteers can be accommodated at PAS in any given week. Their main purpose is to assist with casework and answer general letters to help ensure the smooth running of the office. Some volunteers also assist with fundraising and communications activities. Volunteers are asked to commit to a minimum of one day a week over a three-month period and to contribute in the following ways:

- (i) To review and re-organise as necessary current manual filing systems of external resources.
- (ii) To send general information to clients and other prisoners as directed by the legal caseworkers or Managing Solicitors.
- (iii) To write to clients with information about their specific cases as directed by the Managing Solicitors or legal caseworkers.
- (iv) To respond to general letters from prisoners under supervision of the Managing Solicitors or legal caseworkers.
- (v) To assist with fundraising and communications activities under the supervision of the Fundraising and Communications Manager.

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

ACHIEVEMENTS AND PERFORMANCE

Chair's Report

Each year is not without its share of challenges for PAS, and this year has been no exception. Following the cuts to Government funded Legal Aid in December 2013, the Prisoners' Advice Service has found itself with significantly reduced Legal Aid income. Moreover, the organisation's resources have been stretched by an increase in demand for PAS's services, with many high street solicitors firms no longer offering Prison Law work. Apart from PAS, no organisation gives free, expert legal advice to adult prisoners in England and Wales. As a result, PAS has been diversifying its *modus operandi*, both with respect to the services offered, and approaches to funding.

Over the course of this period, there have been a number of changes to the structure of the organisation. In mid-October 2013, Matthew Evans left his post as PAS's Managing Solicitor to take up a new role as Director of the AIRE (Advice on Individual Rights in Europe) Centre. Matthew was succeeded by Deborah Russo and Lubia Begum-Rob who were appointed to the role of Joint Managing Solicitors (in a job-share) after an external recruitment process. Both Deborah and Lubia are long-standing staff members of PAS, each having been with the charity for over nine years. Lubia has previously served as PAS's Race and Religious Discrimination Caseworker, and Deborah as its Women Prisoners' Caseworker. In their new roles, they both continue to do some casework in their specialist fields, together with leading the organisation.

In January 2014, PAS recruited a full time Fundraising and Communications Manager, Adrian Gannon, who started in post in February 2014. He has more than 10 years of fundraising experience across a number of non-profit organisations including human rights-focused and prisoner-focused charities.

PAS has recently recruited two additional Trustees with experience in law. These new members are supplementing the existing four Trustees who themselves have a range of valuable experience across the following fields: accountancy, immigration, education, law and fundraising. As one of PAS's longer-serving Trustees, I took over the role of Chair in January 2014, following the resignation of Rikki Garg following his 8 years of generous service in the role. The new Trustees are enabling us to increase the strength and depth of expertise of our three specialist Sub-Committees to the Management Committee. These Sub-Committees focus on Fundraising, Finance and Governance issues.

On behalf of the PAS Management Committee, I would like to express my gratitude to the dedicated staff and volunteers for another year of their hard work. I would also like to thank the loyal donors, whose contributions provide the funding necessary for PAS's work to continue.

Joint Managing Solicitors

During 2013-14, Deborah Russo and Lubia Begum-Rob jointly took on the role of Managing Solicitor (after Matthew Evans left the organisation). They are responsible for the day-to-day running of the organisation on behalf of the Management Committee, and for managing PAS's other staff members. This role continues to involve a mix of advice, advocacy and judicial review. Those in the Managing Solicitor role answered around 3,200 telephone calls and took on 70 cases during the 2013/14 year, while holding managerial responsibility for the organisation. Deborah currently holds responsibility for the Legal Aid and compliance aspects of PAS's work, whilst Lubia manages HR and finances.

The Prisoners' Advice Service, together with the Howard League for Penal Reform, issued a judicial review in November 2013, challenging the Lord Chancellor's decision to cut Legal Aid funding for most types of prison law issues. Arguments for permission to judicially review the cuts were heard before two Divisional Court Judges in March 2014. Although the Court heard arguments for several hours and produced a thirty-page judgment, it decided that the case should not proceed. PAS appealed this decision and the next stage of the appeal is expected to be heard by the end of 2014.

The Managing Solicitors have conducted a range of strategic litigation cases during the year. Through the strategic decision of taking test cases, PAS, despite its small size, has continued to seek to bring about significant changes in the law, affecting thousands of prisoners.

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

ACHIEVEMENTS AND PERFORMANCE

Chair's Report (continued)

Joint Managing Solicitors (continued)

Given the recent criminal justice system overhaul, and the subsequent reduction in legal aid funding, PAS has found it increasingly necessary to be heard as an organisation. As a result, both Deborah and Lubia have been involved in raising PAS's profile. Lubia has continued to work on our quarterly Prisoners Legal Rights Group (PLRG) Bulletin in order to inform prisoners and other prison law practitioners about developments in prison law. The Managing Solicitors have continued to give content to the press where appropriate. They have led PAS in reaching out to universities in order to raise the organisation's profile and bring in more volunteers (typically law students). Deborah has been giving lectures on PAS's work to students, academics and judges to build on these profile raising efforts. They have also both recently begun to nurture partnerships with corporate law firms with a view to procuring *pro bono* legal volunteers and other resources such as free printing facilities and hire of venues.

During 2013-14, the Managing Solicitors prepared and issued substantive responses to Government consultations on a number of proposed changes that effectively seek to alter the foundations of the Rule of Law. Deborah recently gave evidence on behalf of PAS to the Justice Select Committee's Inquiry into Prison Planning and Policy.

The Managing Solicitors work closely with the Management Committee. In a change of practice, they are both actively supervised by not only the Chair, but also by a senior and very experienced prison law solicitor - so as to ensure that they are supported in all aspects of their work. They are, additionally, in the process of procuring regular advice from an organisation that is unusually also led by two job sharing directors.

Race and Religious Discrimination Caseworker

In addition to her Joint Managing Solicitor role, Lubia Begum-Rob has continued in her work as Race and Religious Discrimination Caseworker. She has provided free specialist legal advice and representation to prisoners on complaints of racial and religious discrimination. The most common issues brought to her attention were:

- Ethnic minority prisoners complaining of less favourable treatment by staff, compared to their white counterparts, where the only explanation of the differential treatment was based on race or religion;
- Prisoners complaining of unjustifiable failure by the prison to accommodate them to practise the basic tenets of their religion.

The immediate consequences of this type of discrimination against prisoners have included extra time spent in their cell, reduced contact with their family, lack of access to education and lack of opportunity to progress through the prison system. In the most severe cases of discrimination, prisoners complained of suffering harassment and victimisation because of the initial complaint they made, which exacerbated their grievance.

Race and Religious Discrimination Case Study

A prisoner, along with 7 other prisoners, argued with a prison officer. They were all outraged at the officer's blunt refusal to allow them access to another part of the prison (where the library was located). This resulted in them having to return to their cells. The officer gave the prisoner, the only black prisoner in that group of men, a written warning for his behaviour, as this constituted unacceptable conduct from a prisoner. The prisoner complained that, whilst it was regrettable that he, and the other prisoners, had behaved in that way, none of the other prisoners had suffered the same detrimental consequences as he had. PAS took up this complaint with the Director of the prison who, after investigation, concurred that the officer's action was wrong in singling out the prisoner and that the prisoner had suffered an unjustified detriment on the grounds of his race.

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

ACHIEVEMENTS AND PERFORMANCE

Chair's Report (continued)

Women Prisoners' Caseworker

In their role as Women Prisoners' Caseworker, Deborah Russo and Naomi Lumsdaine have given a wide range of legal advice, information and representation to uphold the rights of women prisoners. In addition to their legal casework, they have delivered advice at outreach clinics within prisons, and advised hundreds more women through letter and telephone enquiries.

The women prisoners' outreach advice sessions took place every month or every six weeks during the year, depending on location. These clinics were held at HMP Downview (prior to its re-role as a male prison), HMP East Sutton Park, HMP Holloway and HMP Send. Plans are now actively underway to expand the outreach advice service to women's prisons in the Midlands and the North of England, in response to the heavy cuts in legal aid. The importance of outreach advice sessions for women is high, as women are statistically – and in our experience – less likely to make prison complaints, or seek advice on prison law issues, by letter or telephone.

The Women Prisoners' Caseworker has received increasing numbers of referrals to assist women who are both serving prisoners and patients in secure psychiatric hospitals. These women are often life/IPP sentence prisoners convicted of arson, as the result of serious attempts to harm themselves during mental health crises. This is reflective of the fact that 30% of women in custody have had a previous psychiatric admission before being sent to prison, and 51% have severe and enduring mental illnesses.

The main areas in which women prisoners sought advice from PAS during this period related to:

- The negative effects of receiving short custodial sentences for non-violent offences. Too often this resulted in women losing their accommodation and struggling to access adequate rehabilitative work;
- Issues stemming from their role as sole carers for their young children;
- Problems arising from the fact that women were often sent to institutions far from their families and children – due to the low number of women's prisons in the country – which exacerbated difficulties with maintaining family contact and fostering rehabilitation.

When Deborah Russo became Joint Managing Solicitor in mid-October 2013, Naomi Lumsdaine became the principal Women Prisoners' Caseworker (previously they had job-shared the role). Whilst Naomi now does the bulk of our work with women prisoners, Deborah continues to be involved with some aspects of it, including conducting some casework and running the outreach clinic at HMP East Sutton Park.

Women Prisoners Case Study

Our Women Prisoners' Caseworker received a request for help from a woman in prison who was at risk of being released homeless three weeks' later. Her application for Resettlement Overnight Release (ROR) to see her four children and sort out accommodation had been refused by the prison. Without accommodation, the prisoner could not be reunited with her children on release. Her concern to be with her children and resume her role as their sole carer was acute, with a daughter undergoing tests for a terminal illness. Our Caseworker wrote to the prison challenging the legality of their policy to deny ROR in the last 28 days of sentence and their failure to consider the best interests of her children. The prison reversed their decision and granted ROR to this prisoner within 24 hours of our intervention.

Outreach Caseworker

As PAS's Outreach Caseworker, Nicki Rensten has delivered regular advice sessions at 6 men's prisons across England and Wales. She has also given legal education sessions in order to educate prisoners about their legal rights and to provide information which can then be disseminated to other prisoners.

Over the past year, our Outreach Caseworker took on approximately 80 legal cases for prisoners, in addition to providing in-depth advice to a further 150 prisoners via outreach legal advice clinics, with some overlap between the two categories. During that period, she also advised around 170 prisoners through letter enquiries and hundreds more through telephone enquiries. She also maintained her responsibility for replying to, or forwarding to colleagues, all the enquiries that PAS received via email from friends and relatives of prisoners.

PRISONERS' ADVICE SERVICE**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****ACHIEVEMENTS AND PERFORMANCE****Chair's Report (continued)****Outreach Caseworker (continued)**

Due to the nature of the role, the enquiries brought to the Outreach Caseworker during the year were highly varied in nature. Some of the most common issues included:

- Applications for release on Home Detention Curfew
- Detention within segregation units
- The effect of immigration proceedings on prison procedures for foreign nationals
- Recalls to prison for breach of licence.

Outreach Case Study

Prisoners in segregation face extreme isolation with little human contact and limited facilities. Many prisoners in segregation suffer from mental health problems and often self-harm. Our Outreach Caseworker received a request for help from a prisoner who was being held in segregation in a south London prison. He complained that the prison was removing radios from prisoners serving punishments of cellular confinement. The Prison Service's own guidance lists radios amongst facilities which will 'not normally' be forfeited as part of the punishment. The prisoner had complained unsuccessfully through the internal complaints procedure. His complaint was then rejected by the Prison and Probation Ombudsman on the grounds that the prisoner was not personally affected by the policy as he was not serving a punishment of cellular confinement and was in segregation for other reasons. Our Caseworker wrote to the governor complaining about the prison's policy. She received a reply stating that there was no local policy of depriving prisoners of radios (even though there clearly had been). Soon afterwards, the prisoner wrote to thank us for our intervention because the prison had started re-issuing radios to prisoners in segregation.

Community Care Caseworker

In their role as Community Care Caseworker, Nicola Gregory and then Laura Orger have offered advice and assistance to, and taken on cases for, disabled/mentally ill prisoners prior to their release and upon release. Over the last year, our Community Care Caseworker has given advice to around 250 prisoners in outreach legal advice clinics and assisted 70 prisoners in legal cases and hundreds more through telephone and letter enquiries.

Some prisons, local authorities and probation services failed to meet their legal responsibilities towards prisoners with physical and mental disabilities both during their time in prison and when they were due for release. Our Community Care Caseworker therefore liaised and negotiated with prison and probation services and local authorities, and, where necessary, issued judicial review claims against them, if they failed to meet their duties towards such prisoners.

Community care enquiries during the year often encompassed issues such as:

- reasonable adjustments – for example obtaining functional wheelchairs for disabled prisoners;
- release without suitable accommodation – liaising with housing associations and social services to ensure that individuals were not left homeless and without community care services upon release;
- attending medical appointments – ensuring that prisoners had adequate access to medical care which was sometimes initially denied where it was difficult for the prison to accommodate.

In many cases, our Community Care Caseworker ensured that the prison made specific 'reasonable adjustments' for the prisoner's disability. These adjustments often:

- improved the prisoner's day to day life;
- reduced the prisoner's feelings of exclusion;
- prevented unnecessary deterioration of the prisoner's physical and mental health;
- acted as a precursor to ensuring that comprehensive support or treatment was secured for the prisoner upon release.

PRISONERS' ADVICE SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

ACHIEVEMENTS AND PERFORMANCE

Chair's Report (continued)

Community Care Caseworker (continued)

Bureaucracy within prisons can be highly problematic in community care casework. During the year, there were some extensive delays, issues with information being withheld and other obstructions to the legal process. All such problems had an unnecessary negative impact on the prisoner involved, and upon the delivery of justice. Our Caseworker's intervention helped to reduce unnecessary delays.

Community Care Case Study

Our Community Care Caseworker acted on behalf of a disabled prisoner who had been provided with a broken wheelchair that was not fit for purpose. The back wheels were so small that he could not reach them to propel himself along and therefore he was not capable of independent movement. The footrests broke and were not replaced. This prisoner had a progressive spinal condition which meant that he could not raise his feet. The absence of footrests caused his feet to drag continually along the ground when he was being pushed along by others, inducing pain and ruining his shoes. He felt vulnerable and humiliated as a result and his mobility was severely restricted. Prison officers refused to push him in his wheelchair; some alleged they required training in order to do so. This meant that the prisoner was unable to move around the prison unless a fellow prisoner pushed him. Our Caseworker wrote to the prison pointing out their breach of the Public Sector Equality Duty. She asked them to provide the prisoner with assistance and with a suitable wheelchair. Within a very short time of our intervention, the prisoner was provided with a functioning wheelchair (with footrests) with which he could propel himself. The prison now also pays another prisoner on his wing to act as his carer.

Telephone Advice Line

The telephone Advice Line continued to provide a key channel through which PAS is able to uphold prisoners' rights and - where necessary - pursue justice for prisoners. In the past year, the Advice Line received around 14,000 telephone calls. Awareness of PAS within the prison system has been raised. This is evidenced by the fact that demand for the Advice Line has been higher than ever. The higher call volume is due, in part, to the increasing number of recommendations to other prisoners from previous callers to the service. It is also due to an even greater necessity for our services following the Government's heavy cuts to Legal Aid provisions for prisoners in December 2013. Several high street solicitors firms have been forced out of prison law work as a result, leaving PAS as the only organisation offering legal advice to prisoners on all prison law matters.

Letters Advice

Prisoners also continued to seek advice or information through PAS's legal letter service. Over the past year, PAS received and responded to around 4,000 letters from prisoners, offering either detailed information on specific aspects of prison law or individually tailored legal advice from PAS's Caseworkers. In response to the changes to Legal Aid, Caseworkers have been expanding and adding to our existing range of legal information sheets - to empower a greater number of prisoners to tackle some simpler legal issues by themselves. This will enable a larger number of prisoners to benefit from our services.

Outreach

PAS's Caseworkers ran two types of outreach clinics in prisons, mainly in London and the South East. The aim of these sessions was to provide vital assistance and to empower prisoners with the knowledge necessary to tackle simpler legal issues by themselves. Developing prisoners' own legal knowledge is an approach that we have increasingly been taking as a result of the decreased legal aid funding available and the increased demand for our services. The outreach clinics ensured that PAS's legal services could reach prisoners who had not previously had the confidence that their problem merited a phone call or letter to PAS or for whom English was not their first language. Over the past year, PAS assisted around 500 prisoners at legal advice outreach clinics.

During 2013/14, we ran outreach sessions at HMPs Downview, East Sutton Park, High Down, Holloway, Huntercombe, Pentonville, Send, Thameside, Wandsworth and Whitemoor. Since year-end, we have started running sessions in HMP Belmarsh (the highest security prison in Europe). We are also now actively seeking to introduce legal advice and education outreach sessions at some additional prisons in England and Wales.

PRISONERS' ADVICE SERVICE**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****ACHIEVEMENTS AND PERFORMANCE****Chair's Report (continued)****Outreach (continued)**

Legal Advice: General advice was given on a one-to-one basis at legal advice outreach sessions, which were often held in prison libraries. Any prisoner could sign up to attend these sessions, which allowed prisoners to access our expert legal advice on a wide range of issues, from simple but vital questions about missing items of property to complex questions relating to recall procedures and sentence calculation.

Legal Education: Our Caseworkers also ran legal education sessions with small groups of prisoners, explaining the legal framework for prison law and how it applied to them and other prisoners. These sessions were usually – although not always – organised via a partner agency. For example, in some prisons St Giles Trust delivers an NVQ course in Information, Advice and Guidance to prisoners who are employed as peer advisers within the prison. The participants on the course are already in a position where they provide advice and information to other prisoners. Consequently they are often those most likely to be approached in the first instance by a fellow prisoner with a query about an issue such as their categorisation review, temporary licence application or eligibility for Home Detention Curfew.

Fundraising and Communications

Total donations received in the 2013/14 year were £244,566. This included grants from trusts and foundations totalling £221,753. We are, as always, very grateful to all our donors for their generous support, including our major funders: A B Charitable Trust, Big Lottery Fund, Esmée Fairbairn Foundation, Garfield Weston Foundation, the Hadley Trust, J Paul Getty Jnr Charitable Trust, the Pilgrim Trust and Tudor Trust. Without their support, PAS would be unable to maintain its range of services. Economic conditions are tough for a small legal charity such as the Prisoners' Advice Service, working in a field that has experienced significant cuts.

In the context of those cuts, we have taken a number of steps to secure additional funding to support our services. We have raised funds from individual donors through public fundraising appeals and sponsored events. These have included the London Legal Walk (May 2013), the British 10K Run (June 2013), Walk the Thames (October 2013) and the Great Legal Cake Bake (February 2014). In January 2014, Lady Edwina Grosvenor kindly led a BBC Radio 4 broadcast appeal for PAS, which raised around £9,000. After year-end, we also ran a successful on-line fundraising campaign (on the Global Giving platform) to help support our work with women and disabled prisoners. To date, this has raised nearly £7,000.

We have raised our public profile through a number of events. We have continued to run our annual debates, for which the topics were:

- “1.6 million behind bars; are there any lessons to be learned from the US prison system?” in May 2013, and
- “Can the Rule of Law survive without Legal Aid?” shortly after year end, in May 2014.

These events – each attended by around 100 individuals – raised awareness of these important issues and of PAS's work. They also helped to bring in more donations and volunteers. Since year-end, our Patron, Lord Ramsbotham, kindly gave a lecture to our supporters and guests in November 2014 on the topic “What Price Imprisonment?”; the event was introduced by the High Sheriff of Greater London.

We have increased our engagement with social media. We now have nearly 300 ‘Likes’ on Facebook (since joining that platform in March 2014) and nearly 600 Followers on Twitter (since joining that platform in July 2012). We have introduced a quarterly e-newsletter for our supporters: the first edition was produced in December 2013. We are currently re-designing our website. We have also increased our media / press presence.

Since year-end, we have formed partnerships with City commercial law firms; these partnerships are providing us with pro bono, financial and in kind support. We are also developing our links with universities; these links are providing us with additional volunteers (typically law or charity management students).

PRISONERS' ADVICE SERVICE**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****ACHIEVEMENTS AND PERFORMANCE****Chair's Report (continued)****Thank You**

We are most grateful to our donors during the 2013/14 year. These included:

Anonymous
 29th May 1961 Charitable Trust
 The 1970 Trust
 A B Charitable Trust
 The Albert Hunt Trust
 Big Lottery Fund
 The Charles Irving Charitable Trust
 The Coutts Charitable Trust
 Esmée Fairbairn Foundation
 Evan Cornish Foundation
 Garfield Weston Foundation
 Lady Edwina Grosvenor
 The Hadley Trust
 J Paul Getty Jnr Charitable Trust
 The Law Society Charity
 The Lord Faringdon Charitable Trust
 The Oakdale Trust
 The P & C Hickinbotham Charitable Trust
 Peter Stebbings Memorial Charity
 The Pilgrim Trust
 Reuben Foundation
 Souter Charitable Trust
 Tudor Trust
 UIA Charitable Foundation

We also thank all those individuals (too many to mention in this list) who kindly donated to our BBC Radio 4 broadcast appeal in January 2014 and to our Global Giving on-line appeal after year-end.

Quotations from Service Users

"PAS has been a very positive and uplifting experience. The speed and depth of knowledge they impart has helped me to become more aware of my rights and not to suffer abuse."

"PAS's Legal Advice Line is seen by myself and many others as a real lifeline as it is a way to access crucial information in a timely fashion. Without access to such a vital service, many more cases of injustice would occur and go unchallenged."

"I feel reassured by having access to this service, as I can be confident that the source is independent and has no ulterior motive in providing advice."

"It is impossible to get the information you require and are supposed to be entitled to in prison. Without PAS, many prisoners, myself included, would become lost in the system, losing hope."

"In practical terms, access to the PAS legal advice line has been invaluable."

"I have found PAS to be a shining example of what a legal service should be."

"I can honestly state that, if it was not for the help and invaluable information supplied to me by PAS, I would have succumbed long ago to depression and either ended up in a mental hospital having suffered a nervous breakdown or committed suicide."

PRISONERS' ADVICE SERVICE**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****FINANCIAL REVIEW**

Free reserves held on 31 March 2014 were £50,001 representing under two months' operating costs. The Management Committee deems three months of reserves as the minimum realistic level of reserves which would allow staff time to recover from a temporary shortfall of income – a prime objective of the coming year is to restore this level of reserves.

The Statement of Financial activities shows an unrestricted loss of £17,146 (2013: surplus of £6,471).

The charity has sought to control expenditure by not recruiting additional caseworkers to replace those promoted to the joint role of managing solicitor.

Further details of the charity performance can be found in the Statement of Financial Activities on page 14 and the Balance Sheet on page 15.

Funding sources for the period 2013/2014 included income of £60,970 (2013: £102,746) from the Legal Services Commission and other legal fees. There was also income arising from restricted and unrestricted grants, as well as gifts-in-kind and donations from individuals.

PLANS FOR FUTURE PERIODS

The Management Committee has set the following ongoing objectives for PAS:-

- (i) To continue to provide, increase and improve a free, high quality, accessible legal advice and information service to prisoners in England and Wales and their legal advisers.
- (ii) To maintain publicly-funded casework.
- (iii) To increase awareness of PAS as the main provider of information about prison law.
- (iv) To identify the unmet needs of prisoners not currently taken up by PAS's service and expand the range of service to provide to meet those needs.
- (v) To have a minimum of three months' operating costs in reserve at any one time.

PRISONERS' ADVICE SERVICE**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****RESPONSIBILITIES OF THE TRUSTEES**

The Trustees (who are also directors of Prisoners' Advice Service 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 the year. In preparing these financial statements, the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.


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

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Principal Office:

36 St Johns Lane
London
EC1M 4DJ

Signed on behalf of the Board of Trustees


.....
Martine Lignon

Approved by the members of the committee on 18 November 2014

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PRISONERS' ADVICE SERVICE

I report on the accounts for the year ended 31 March 2014 which are set out on pages 14 to 23.

Respective Responsibilities of Directors and Reporting Accountants

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

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

Independent Examiner's Statement

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:-
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;
 have not been met, or:-
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

M. Jellicoe

Michael Jellicoe
Chartered Accountant
59 Knowle Wood Road
Dorridge
Solihull
West Midlands
B93 8JP

18 November 2014

PRISONERS' ADVICE SERVICE

STATEMENT OF FINANCIAL ACTIVITIES (incorporating THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2014

		<u>Year ended 31.3.2014</u>			<u>Year ended</u>
	<u>Note</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>31.3.2013</u>
		£	£	£	£
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	-	143,463	143,463	169,709
Activities for generating funds		-	-	-	1,801
Interest receivable		-	143	143	72
Incoming resources from charitable activities:					
Advice and information	3	110,503	62,160	172,663	213,911
Sundry operating income		-	2,911	2,911	1,608
Total incoming resources		<u>£110,503</u>	<u>£208,677</u>	<u>£319,180</u>	<u>£387,101</u>
Resources expended	5,6,7				
Costs of generating funds:					
Costs of generating voluntary income		-	14,495	14,495	16,608
Charitable activities:					
Advice and information		105,503	201,176	306,679	347,998
Governance costs		5,000	10,152	15,152	16,024
Total resources expended		<u>£110,503</u>	<u>£225,823</u>	<u>£336,326</u>	<u>£380,630</u>
Net income/(expenditure) for the year		-	(17,146)	(17,146)	6,471
Total funds brought forward		-	67,147	67,147	60,676
Total funds carried forward		<u>£Nil</u>	<u>£50,001</u>	<u>£50,001</u>	<u>£67,147</u>

Movements in restricted funds are shown in note 15 to the financial statements.

All incoming resources and resources expended derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 23 form part of these financial statements.

PRISONERS' ADVICE SERVICE

BALANCE SHEET AS AT 31 MARCH 2014

	<u>Note</u>	<u>2014</u>	<u>2013</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	10	2,506	1,573
CURRENT ASSETS			
Debtors	11	72,802	86,172
Cash at bank and in hand		17,326	69,747
		<u>90,128</u>	<u>155,919</u>
CREDITORS: amounts falling due within one year	12	<u>(42,633)</u>	<u>(90,345)</u>
NET CURRENT ASSETS		47,495	66,574
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£50,001</u>	<u>£67,147</u>
CAPITAL AND RESERVES	15		
Restricted funds		-	-
Unrestricted funds		50,001	67,147
		<u>£50,001</u>	<u>£67,147</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved and authorised for issue by the Trustees on 18 November 2014 and are signed on their behalf by:

.....
M Lignon

Company Registration Number 3180659

The notes on pages 16 to 23 form part of these financial statements.

PRISONERS' ADVICE SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

(a) Basis of Accounting

These accounts have been prepared under the historical cost accounting convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), The Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) issued in March 2005.

(b) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- Voluntary income is received by way of grants that provide core funding or income of a general nature, such as donations and gifts, and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Incoming resources from charitable activity are accounted for when earned.
- In respect of contracts for ongoing services, fees for legal services represents the value of work done in the year including estimates of amounts not invoiced.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Incoming resources from grants where related to strongly implied time periods in which the expenditure can take place is accounted for on the basis of the time period included in these financial statements. Grant income is deferred where expenditure is expected to take place in a future accounting period.
- Legal services provided by other solicitors on behalf of the charity but which are settled directly to the solicitor by the Legal Services Commission are accounted for as expenditure on legal costs and as fees received for legal services within the financial statements.

(c) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Irrecoverable VAT is reported as part of the expenditure to which it relates:-

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, eg staff time or estimated usage as set out in Note 5.

PRISONERS' ADVICE SERVICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****1. ACCOUNTING POLICIES (continued)****(d) Fund Accounting**

Funds held by the Charity are either:-

- (i) Unrestricted general funds – these are funds without specified purpose and are available as general funds.
- (ii) Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- (iii) Restricted funds – these are funds which can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Transfers between funds are made to cover deficits on individual restricted funds and to recognise fixed assets acquired with restricted income, but with no further restriction on use, within unrestricted funds

(e) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office fixture and equipment- 20% straight line basis

Fixed assets are not capitalised unless their cost is more than £200.

(f) Operating Leases

Rentals are charged to the income and expenditure account in equal annual instalments over the period of the lease.

(g) Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

2. VOLUNTARY INCOME

	<u>2014</u>	<u>2013</u>
	£	£
Donated services	10,000	-
Donations	22,213	6,609
Core funding grants (note 4)	111,250	163,100
	-----	-----
	£143,463	£169,709
	=====	=====

The donated services relate to CASS Business School's work on Prisoner Advice Services' own development and strategic planning which was kindly funded by the Pilgrim Trust.

3. ADVICE AND INFORMATION

	<u>2014</u>	<u>2013</u>
	£	£
Restricted donations	600	-
Grants funding activities (see note 4)	110,503	109,990
Legal Services Commission fees and other legal fees	60,970	102,746
Prisoners' Legal Rights Group	590	1,175
	-----	-----
	£172,663	£213,911
	=====	=====

PRISONERS' ADVICE SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

4. GRANTS RECEIVABLE DURING THE YEAR AND MOVEMENT ON DEFERRED INCOME

<u>Source</u>	<u>Purpose</u>	<u>2014</u> £	<u>2013</u> £
29 May 1961 Charitable Trust	Core funding	5,000	5,000
1970 Trust	Core funding	3,000	-
Allen and Overy Foundation	Core funding	-	2,500
The A B Charitable Trust	Core funding	15,000	7,500
Garfield Weston Foundation	Core funding	20,000	10,000
The Charles Irving Charitable Trust	Core funding	2,000	-
The Goldsmiths Company	Core funding	-	2,000
The Hadley Trust	Core funding	60,000	110,000
The Leigh Trust	Core funding	-	2,500
The London Legal Support Trust	Core funding	-	5,000
Odin Charitable Trust	Core funding	-	2,000
The Rhiannon Trust	Core funding	-	2,000
The Trusthouse Charitable Foundation	Core funding	-	2,000
Other	Core funding	6,250	12,600
Total Core Funding Grants		£111,250	£163,100
Big Lottery Fund	Advice line	17,503	14,157
Esmée Fairbairn Foundation	Costs relating to Managing Solicitor	20,000	23,000
J Paul Getty Charitable Trust	Outreach Service	15,000	15,000
Peter Stebbings Memorial Charity	Women's Caseworker	3,000	-
The Tudor Trust	Costs relating to Managing Solicitor	30,000	-
The Lankelly Chase Foundation	Caseworker for racial discrimination	-	3,750
The Barrow Cadbury Trust	Advice Line	-	16,000
Lloyds TSB Foundation	Discrimination Caseworker	-	11,250
The Law Society Charity	Costs relating to letter advice	7,500	5,000
The Evan Cornish Foundation	Outreach Service	7,500	7,500
The Rayne Foundation	Community Care Service	-	3,333
The Pilgrim Trust	Women's Caseworker	-	10,000
Others		-	1,000
Total Grants Funding Activities		£110,503	£109,990
Total Grants receivable in Year		£211,856	£273,090

	<u>2014</u> £	<u>2013</u> £
Deferred grants at 1.4.2013	12,831	26,333
Grants received in the year	100,606	96,488
Deferred grants at 31.3.2014	(2,934)	(12,831)
Grants released to income	£110,503	£109,990

PRISONERS' ADVICE SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

5. TOTAL RESOURCES EXPENDED

	<u>Basis of Allocation</u>	<u>Voluntary Income</u>	<u>Advice and Information</u>	<u>Governance</u>	<u>Total</u>	<u>2013</u>
Costs directly allocated to activities:						
Staff costs	Direct	-	179,398	-	179,398	203,314
Legal and casework costs	Direct	-	13,429	-	13,429	29,581
Independent examiner's fees	Direct	-	-	2,190	2,190	2,215
Support costs allocated to activities:						
Staff costs	Staff time	9,599	45,009	8,066	62,674	71,132
Office costs	Usage	3,916	46,309	3,916	54,141	49,894
Premises costs	Usage	980	22,534	980	24,494	24,494
Total resources expended		<u>£14,495</u>	<u>£306,679</u>	<u>£15,152</u>	<u>£336,326</u>	<u>£380,630</u>
2013		<u>£16,608</u>	<u>£347,998</u>	<u>£16,024</u>	<u>£380,630</u>	

PRISONERS' ADVICE SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

6. TOTAL RESOURCES EXPENDED

Salary Costs

	<u>2014</u>	<u>2013</u>
	£	£
Gross	204,085	236,272
Employer's NIC	19,800	25,557
Pension contributions	9,916	10,182
	<u>£233,801</u>	<u>£272,011</u>

No employee earned more than £60,000 (2013: none).

The average number of full time staff employed during the year was:-

	<u>2014</u>	<u>2013</u>
	£	£
Legal Staff	7	7
Administration	1	1
	<u>8</u>	<u>8</u>

None of the trustees received any remuneration during the year (2013: £nil).

None of the trustees received any reimbursement of expenses during the year (2013: £nil).

7. NET INCOME/(EXPENDITURE) FOR THE YEAR

	<u>2014</u>	<u>2013</u>
	£	£
Net income/(expenditure) for the year is after charging:-		
Depreciation	1,397	1,110
Independent examiner's remuneration	2,190	2,215
Rentals under operating lease:		
Land and buildings	19,000	17,500
Other assets	2,984	3,059
	<u>23,571</u>	<u>23,884</u>

8. TAXATION

The company is a registered charity and it is considered that its activities are such that no taxation liability will arise.

9. PENSIONS

The charity made contributions totalling £9,916 (2013: £10,182) to a defined contribution scheme during the year of which £1,024 (2013: £nil) was outstanding at year end.

PRISONERS' ADVICE SERVICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****10. TANGIBLE FIXED ASSETS**Office Fixtures and EquipmentCost:

<i>At 1 April 2013</i>	7,593
Additions	2,330
Disposals	(520)

At 31 March 2014	£9,403
	=====

Depreciation:

<i>At 1 April 2013</i>	6,020
Charge for year	1,397
Disposals	(520)

At 31 March 2014	£6,897
	=====

Net Book Value

At 31 March 2014	£2,506
	=====
<i>At 31 March 2013</i>	£1,573
	=====

11. DEBTORS

	<u>2014</u>	<u>2013</u>
	£	£
Trade debtors	7,806	5,839
Amounts recoverable under contracts	50,983	67,044
Other debtors	11,784	3,808
Prepayments	2,229	9,481
	-----	-----
	£72,802	£86,172
	=====	=====

12. CREDITORS: amounts falling due within one year

	<u>2014</u>	<u>2013</u>
	£	£
Taxation and social security	-	624
Other creditors	1,024	30,000
Accruals	38,675	46,890
Deferred grant income (see note 4)	2,934	12,831
	-----	-----
	£42,633	£90,345
	=====	=====

13. CAPITAL

The company has no share capital being limited by guarantee. All trustees are members of the company and each has undertaken to contribute £1 in the event of the company being wound up.

PRISONERS' ADVICE SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total Funds</u>
	£	£	£
Fixed assets	-	2,506	2,506
Current assets	-	90,128	90,128
Current liabilities	-	(42,633)	(42,633)
	-----	-----	-----
	£Nil	£50,001	£50,001
	=====	=====	=====

15. RESTRICTED FUNDS

	<u>At 1 April 2013</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>At 31 March 2014</u>
	£	Resources	Resources	£
		£	£	
Advice Line	-	17,503	(17,503)	-
Letter Advice	-	7,500	(7,500)	-
Women	-	13,000	(13,000)	-
Outreach	-	22,500	(22,500)	-
Managing Solicitor	-	50,000	(50,000)	-
	-----	-----	-----	-----
	-	110,503	(110,503)	-
Unrestricted funds	67,147	208,677	(225,823)	50,000
	-----	-----	-----	-----
Total Funds	£67,147	£319,180	£(336,326)	£50,001
	=====	=====	=====	=====

Purposes of restricted funds:

Advice Line:	This fund was used to meet some of the costs of running the Advice Line.
Letter Advice:	This fund was used to meet some of the costs of replying to correspondence from prisoners.
Women:	This fund was used to meet the salary cost of the caseworker for women prisoners.
Outreach:	This fund was used to meet the salary cost of the caseworker for the charity's outreach service.
Managing Solicitor:	This fund was used to meet the salary cost of the managing solicitor.

In the opinion of the trustees, there are sufficient resources held to enable each fund to be applied in accordance with the restrictions imposed by the donors.

PRISONERS' ADVICE SERVICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)****16. RELATED PARTIES**

There were no transactions with related parties during the year (2013: none) that are required to be disclosed in these accounts.

17. OPERATING LEASE COMMITMENTS

At 31 March 2014 the charity had the following commitments under non-cancellable operating leases:-

	<u>Land and Buildings</u>	<u>Other</u>
	£	£
Expiring within one year	19,000	Nil
Expiring within two to five years	Nil	2,984
	=====	=====

18. CONTINGENT LIABILITY

The charity, together with the Howard League for Penal Reform, has appealed the High Court's decision to dismiss a legal challenge to Legal Aid cuts for prisoners. Were this challenge to fail the charity has an estimated potential liability to pay the legal costs of the other side which are estimated to be £6,500 as at 31 March 2014.