

# **PRISONERS' ADVICE SERVICE**

## **FINANCIAL STATEMENTS**

**31 MARCH 2016**

**Company Registration Number 3180659**

**Charity Number 1054495**

---

**PRIME  
Chartered Accountants  
Corner Oak  
1 Homer Road  
Solihull  
West Midlands  
B91 3QG**

**PRISONERS' ADVICE SERVICE****REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

The Trustees present their report and audited financial statements for the year ended 31 March 2016.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

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

**Trustees**

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

Martine Lignon	Chair
Lucy Rhodes	Vice Chair
Bipasha Raha	Treasurer (until September 2015)
Kassim Gaffar	Treasurer (appointed September 2015)
Diane Gault	
Rosie Brighthouse	
Katy Watts	
Jeanne Harrison	Appointed September 2015
Jeremy Harrison	Appointed September 2015
Rebecca Perlman	Appointed September 2015

**Staff Members**

Lubia Begum-Rob	Joint Managing Solicitor /Race and Religious Discrimination Caseworker
Deborah Russo	Joint Managing Solicitor
Nicki Rensten	Outreach Caseworker
Naomi Lumsdaine	Women Prisoners' Caseworker (until June 2015)
Kate Lill	Women Prisoners' Caseworker (appointed June 2015)
Jane Finnis	Women Prisoners' Caseworker (Maternity Cover from October 2015)
Laura Orger	Community Care Caseworker
Ben Blackwell	Office and Advice Line Manager
Adrian Gannon	Fundraising and Communications Director

**Volunteers**

PAS would like to thank all of the volunteers who have, once again, added great capacity to PAS's operations and helped make it possible for PAS's work to continue, particularly its letters service. Even more so than ever, their assistance in PAS's endeavours has been vital and hugely appreciated.

<b>Bookkeeper</b>	Anne Craig
-------------------	------------

<b>Independent Examiner</b>	Prime Chartered Accountants Corner Oak 1 Homer Road Solihull West Midlands, B91 3QG
-----------------------------	--

<b>Bank</b>	CAF Bank 25 Kings Hill Avenue West Malling Kent, ME19 4JQ
-------------	--

<b>Office Address:</b>	PO Box 46199 London EC1M 4XA
------------------------	------------------------------------

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

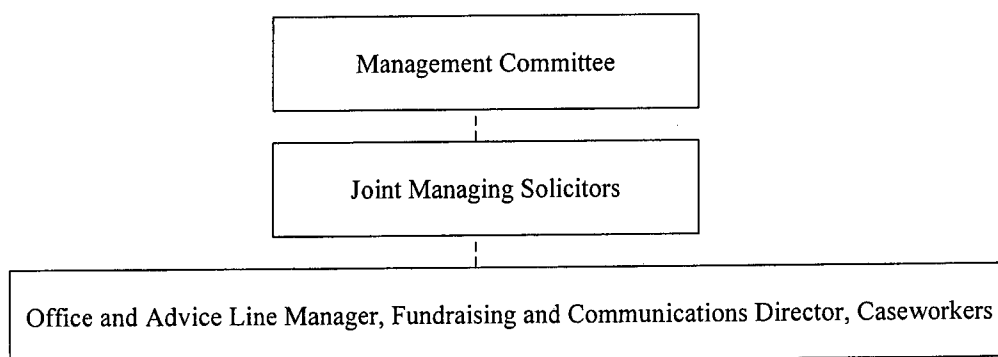
#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### 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 1<sup>st</sup> April 1996 and is governed by its Articles of Association as amended by resolution on 16 October 2015.

##### 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 Prison Law and 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 Joint 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 Joint Managing Solicitors and Fundraising and Communications Director 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 include:

- (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, needs direction;
- (v) making any other decisions considered appropriate by the committee.

The officers as at 31 March 2016 were:

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

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (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 reviewed.

##### 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 of 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 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 35 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 Joint Managing Solicitors.
- (iii) To write to clients with information about their specific cases, as directed by the Joint Managing Solicitors or legal caseworkers.
- (iv) To respond to general letters from prisoners under the supervision of the Joint Managing Solicitors or legal caseworkers.
- (v) To assist with fundraising and communications activities under the supervision of the Fundraising and Communications Director.

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### ACHIEVEMENTS AND PERFORMANCE

##### Chair's Report

It is with great pleasure that I introduce PAS' annual report for 2015-16. Over the last year PAS continued to offer its range of services for prisoners (telephone helpline, letters service, outreach clinics, casework, bulletin etc.) and responded to the cuts to government-funded legal aid provisions. Though the last cuts were in December 2013, the felt impact on prisoners and on PAS worsened in 2015-16 as increasing numbers of prisoners unable to obtain Legal Aid turned to us for advice and information and as some of our long-running cases funded by Legal Aid concluded. However, despite this challenging climate, I am pleased to report that PAS' staff and volunteers continued to work with unstinting dedication and achieved a remarkable amount for our clients. Through the phenomenal generosity of our donors, our services for prisoners were maintained and extended and our financial needs were met. We remain confident that, with constant effort, careful planning and ongoing support from our donors, the organisation can continue to adapt and thrive.

PAS' services are now more vital than ever following the Legal Aid cuts. Consequently, over the past year we increased the capacity of our remote letters clinics by forming new partnerships with academic institutions and law firms. We also updated our range of Information Sheets and launched a range of self-help tool-kits to enable prisoners to undertake for themselves some of the legal processes that would have previously been pursued on their behalf by Legal Aid-funded lawyers. We introduced legal advice clinics into some new service delivery sites for us, including specialist outreach clinics for older prisoners. We trained more prisoners to become Peer Advisors able to give straightforward legal information and advice to their peers and to signpost more complex issues to us.

During the year, PAS successfully obtained a Legal Aid contract in the "Actions against the Police and Public Authorities" category. This enables us to bring more cases about abuses in prisons. Adding this new contract to our existing Public Law contract, we may now open up to 40 new cases per year in defence of prisoners' human and legal rights. Our Caseworkers also this year commenced training to equip them to give Immigration Law advice to foreign national prisoners.

With prisoners so heavily reliant on PAS after the Legal Aid cuts, we took active steps over the last year to try and reach even more prisoners, and to make our services ever more widely known among prisoners across England & Wales. We reached increasing numbers of prisoners through our quarterly Prisoners' Legal Rights Bulletin, which provided timely and accurate updates to subscribers on recent changes in Prison Law.

PAS and its supporters made stellar efforts over the past year to raise/provide the funds necessary to sustain our activities, enabling us to survive and flourish despite the challenging environment. At the same time, we continued to fight to reverse the cuts which have affected so many prisoners. In July 2015 we won the right to challenge the Legal Aid cuts for prisoners when the Court of Appeal ruled there was a risk that the system could be unfair and unlawful. A joint challenge by PAS and the Howard League for Penal Reform had been unsuccessful in the High Court in 2014 but that decision was overturned in July 2015 by Court of Appeal judges. The Court's decision means that the case can now proceed to a full trial, and it is due to be heard in January 2017. Since year-end, PAS has engaged in a crowdfunding campaign to raise funds to help support this case, which may also raise general awareness of our work.

We had the pleasure of welcoming four new Trustees to PAS in October 2015. They are: Kassim Gaffar, a Chartered Accountant and Director of a company providing IT services to non-profit and social sector enterprises; Jeanne Harrison, a Chartered Management Accountant and Analyst for Moody's Investors Service; Jeremy Harrison, Director of a company that provides training and consultancy in impact planning and measurement; and Rebecca Perlman, who manages and co-ordinates Herbert Smith Freehills' pro bono practice in various regions. These four new Trustees joined our existing Trustees and deepened the Board's experience and diversity even further. We have been grateful for their active involvement and contributions since their appointment. Bipasha Raha stood down as Treasurer this year after three years in the role – we are very grateful for her advice and contributions over the years and wish her the best of luck for the future. Kassim Gaffar has replaced her in the role of Treasurer.

On behalf of PAS' Management Committee (Board of Trustees), I would like to express our gratitude to, and admiration for, all those who have helped PAS survive and flourish through this difficult time. I particularly thank all our hard-working staff and volunteers. I express my deep gratitude to our loyal donors (trusts and foundations, corporations and individual givers) whose ongoing faith in, and generous contributions, to PAS have been vital to enabling its continuation and ongoing provision of much-needed services to prisoners.

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Joint Managing Solicitors

Deborah Russo and Lubia Begum-Rob continued this year in their roles as Joint Managing Solicitors. Their role continued to involve a mix of advice, advocacy, litigation and management.

In the legal side of their role, Deborah and Lubia answered hundreds of telephone calls and letters and pursued several cases during the year. They jointly ran outreach clinics at HMP Belmarsh, the highest security prison in Europe, and continued to extend the services that PAS provides. In the managerial side of their role, Deborah and Lubia were responsible for the day-to-day running of PAS on behalf of the Management Committee and for managing the other staff members and volunteers. Deborah held responsibility for the Legal Aid and compliance aspects of PAS' work, whilst Lubia managed the HR and finance functions.

Deborah and Lubia also worked hard to raise the profile of PAS within the legal and wider communities and acted as leading authorities within the legal sector for the advocacy of prisoners' rights. In July 2015 Deborah co-wrote an article with Laura Janes, legal co-director at the Howard League for Penal Reform, about the Legal Aid cuts and our challenge to them, which was published on The Justice Gap and Legal Voice websites. In September 2015, Lubia was invited to speak at the National Conference of Independent Adjudicators. Independent Adjudicators are specially-trained Judges, who attend around 120 prisons in England & Wales to adjudicate on breaches of prison rules - where an additional sentence of up to 42 days can be imposed. This was an opportunity for the Independent Adjudicators to hear about the work that PAS does and to ask us questions about prisoners' experience of the adjudication process.

The Joint Managing Solicitors are executive committee members of the Association of Prison Lawyers (APL). Through the APL, Deborah and Lubia played a leading role in the sector's ongoing deliberations as to how prison lawyers can best adapt their services to represent and advocate for their clients in the face of the Legal Aid cuts. PAS also continued this year to be an active member of the following professional bodies: CLINKS, the Criminal Justice Alliance, the Detention Forum, the Discrimination Law Association, National Council for Voluntary Organisations, the Parole Board Users' Group, Public Lawyers in Non-Governmental Organisations and The Small Charities Coalition.

Deborah and Lubia were actively co-supervised by the Chair and by a senior and very experienced prison law solicitor. This structure ensured that they were supported in all aspects of their work.

##### Race and Religious Discrimination Caseworker

In addition to her Joint Managing Solicitor role, Lubia Begum-Rob continued to take on casework, both legally aided and pro bono, as Race and Religious Discrimination Caseworker. The issues raised with her during the year included predominantly ethnic minority prisoners complaining of less favourable treatment by staff compared to their white counterparts, and complaints of unjustifiable failure by prison authorities to accommodate prisoners to practise the basic tenets of their religion.

In June 2015, PAS participated in an international seminar at the House of Lords on 'Radicalization of youth within the context of social exclusion and Islamophobia' held by EMISCO (European Muslim Initiative for Social Cohesion). We were invited to participate because of our long-standing experience in advising prisoners on issues of racial and religious discrimination.

In January 2016, PAS took part in a seminar at the House of Lords organised by the Zahid Mubarak Trust (ZMT) and hosted by our Patron Lord David Ramsbotham. Zahid Mubarak was murdered by his cellmate in Feltham in 2000. Subsequent campaigning by his family resulted in the commissioning of a public inquiry into his death. The Commission for Racial Equality also carried out an inquiry into wider issues of institutional racism in the prison system, which reported in 2003 and found systemic failings. The remit of the seminar on this occasion was to consider what progress, if any, had been made since the 2006 Keith Report of the public inquiry. PAS has worked with ZMT since it was set up in 2009 and has been involved in a number of initiatives designed to monitor the extent to which prisons have adopted recommendations coming out of the Keith Report; we will continue to do this in the future. However, unfortunately, we had to report at this seminar that our current experience is not positive. We reported that our telephone advice line continues to receive a high number of calls from prisoners who have suffered racist treatment and whose complaints have not been properly investigated.

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Race and Religious Discrimination Case Study

During the year, a Muslim prisoner complained that the prison in which he was located breached his right to practise his religion by giving him food that is forbidden for him to ingest. He had made reasonable enquiries before eating the food to ensure it was compliant with his religious beliefs and he had been assured that it was. It was only later that he found out that the food contained non-halal meat. This upset him greatly, especially as he had enquired first and had been assured the food was suitable for him to eat. We advised him in his complaint against the prison who then admitted their error and apologised to him. The prison also provided assurances that they would take immediate steps to ensure that such an incident would not happen again.

##### **Women Prisoners' Caseworker**

We had some changes of personnel in the role of Women Prisoners' Caseworker during the year. Naomi Lumsdaine left PAS in June 2015 to take up a new opportunity elsewhere. We thank Naomi for her many years of dedicated service to PAS and the prisoners whom we advise and we wish her well for the future. Naomi was succeeded in the role by Kate Lill, a qualified barrister who had previously worked for Prisoners Abroad and the Death Penalty Project. In October 2015, Kate went on maternity leave. Her role was then temporarily covered by Jane Finnis, a solicitor advocate who had formerly worked at a South London firm specialising in criminal law and prison law. Whilst Naomi, Kate and Jane carried out the bulk of our work with women prisoners over the last year, Deborah Russo continued to be involved with some aspects of it, including conducting some casework and running some outreach clinics.

Over the last year, we delivered about 30 outreach clinics in 7 women's prisons. We continued to run our clinics in HMPs Holloway (in London), East Sutton Park (in Kent), Send (in Surrey) and New Hall (in West Yorkshire) and for the first time we held clinics in HMPs Eastwood Park (in Gloucestershire), Bronzefield (in Surrey) and Styal (in Cheshire). Further clinics were delivered to women prisoners by Peer Advisers who had been trained by us. Overall, we helped hundreds of women prisoners during the year through the clinics alone and hundreds more through telephone calls, letters and casework.

One of our Caseworkers wrote an article called "Acquiring a Roof over Your Head!" which was published in the Spring 2016 edition of "Ready Steady Go!" magazine (the publication produced by the charity Women In Prison). This article explained how PAS can assist women prisoners to obtain supported accommodation on release, particularly women who have physical or mental disabilities or a debilitating illness.

##### Women Prisoner Case Study

During the year, we represented a woman serving a life sentence who had been in prison for 12 years beyond her tariff (minimum custodial period) and who was applying to the Parole Board to be transferred to an open prison. She had a history of suffering from severe anxiety prior to Parole Board hearings but had worked very hard at addressing her mental health difficulties over the last two years. By attending one-to-one psychology appointments on a regular basis, she had become better able to manage her stress levels. Due to the relationship we had established with this prisoner, we were able to provide her with support and reassurance throughout the process, particularly leading up to the hearing. We represented her at the hearing and assisted her to satisfy the panel that she could be managed safely in an open setting. As a result, she was then transferred to an open prison.

##### **Outreach Caseworker**

Nicki Rensten, PAS' Outreach Caseworker, continued to advise prisoners through letter and telephone enquiries, to maintain a varied and complex caseload of legally aided and pro bono matters, and to expand the provision of our outreach advice sessions. Over the year, Nicki and other Caseworkers delivered outreach clinics helping hundreds of male prisoners. We established new outreach sessions in the male estate at HMPs Leyhill (in Gloucestershire) and Lewes (in East Sussex). The sessions at these new service delivery sites were well attended. We also continued to deliver our established advice clinics in four men's prisons in London: HMPs Belmarsh, Pentonville, Wandsworth and Thameside. In partnership with the St. Giles' Trust, Nicki continued to train some prisoners to become Peer Advisers, equipping them to give basic legal information and advice to their fellow prisoners and to signpost more complicated issues to us.

##### Outreach Case Study

During an outreach clinic in a London prison in Autumn 2015, a prisoner told us that his remand time had been incorrectly calculated. The incorrect date of the prisoner's conditional release was 30th December 2015. The prisoner had put forward an application and a complaint about this. However, they had been unsuccessful. We wrote to the Offender Management Unit at the prison highlighting the miscalculated release date. Following our intervention, the prisoner was provided with a new Sentence Calculation Sheet with a release date of 13th December 2015. This enabled him to be released before Christmas.

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Community Care Caseworker

Throughout the past year, our Community Care Caseworker, Laura Orger, continued to provide specialist advice to mentally and physically disabled prisoners. Some prisons, local authorities, probation services and NHS Trusts failed, during the year, 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. We liaised and negotiated with these bodies and, where necessary, issued Judicial Review claims against them if they failed to meet their duties towards such prisoners.

Laura delivered advice clinics in several prisons and provided one-to-one legal advice and assistance to many prisoners, some of whom had a disability or mental illness. She also dealt with hundreds of telephone and letter enquiries, and worked on a number of ongoing cases helping prisoners who have suffered disability discrimination.

We introduced specialist outreach clinics focused on older prisoners in prisons that hold a significant number of older prisoners, including HMPs Eastwood Park and Leyhill. Older prisoners often have special needs that may be overlooked by busy prison officers or delayed by Prison Service bureaucracy - so our interventions are vital to protect their rights. These outreach clinics proved to be a successful way for us to advise older prisoners in person on their rights, particularly with respect to age-related healthcare issues.

In May 2015, we submitted a response to a Consultation by the Care Quality Commission. This consultation was considering the process of regulating health and social care in prisons. Given our extensive experience in this field, including our work with disabled prisoners, we were invited by CLINKS (the umbrella organisation that supports voluntary organisations working with prisoners) to contribute to the discussion and to make suggestions on the draft proposals. Following the feedback received from us and other contributors, the Commission then published its final handbook for providers of healthcare in prisons in July 2015.

Since year-end, we have expanded our work in this field, in the face of growing demand for our help from disabled / older prisoners. Hence we have recruited Anna Fairbank (an experienced solicitor) as an additional Community Care Caseworker, to work alongside Laura in this expanded role.

##### Community Care Case Study

During the year, we assisted a disabled, terminally ill prisoner who was serving a short sentence. Although he was a Category C (lower security classification) prisoner, he was being held in a Category B (higher security) prison - as it was deemed better suited to meet his health needs. Even so, the care he received was woefully inadequate. He was placed upstairs and therefore could not leave his cell or even go outside for fresh air. He also required a special diet to avoid potentially choking, but the food provided by the prison was not appropriate for his condition. We sent a pre-action letter to Government Solicitors. This resulted in the prisoner being moved to a Category C prison. We then made categorisation representations which got him de-categorised to Category D (lowest security). However, the prison refused to transfer him, claiming that his medical needs needed him to be on medical hold. We eventually resolved this through further correspondence and he was finally moved to a Category D (open conditions) prison, with suitable medical facilities.

##### Telephone Advice Line

Throughout the year, our telephone Advice Line continued to serve as a key channel through which we were able to uphold prisoners' rights and - where necessary - pursue justice for them. The Advice Line allowed us to impart legal information and advice to thousands of prisoners across England & Wales quickly and effectively. It was especially vital for those in prison with lower literacy levels, making sure that our service was easily accessible for all.

We continued to experience an increase in the average length and complexity of calls, which is attributable to the Legal Aid cuts. We are now increasingly dealing on the Advice Line with complex legal issues that previously would have been eligible for Legal Aid funding and would have been processed as a legal case by a Prison Law solicitor. Now the matter has to be dealt with through a telephone call to us. This is sub-optimal for the prisoner, and for us, but clearly better than the prisoner receiving no advice at all.



## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Letters Service

Our letters service continued to offer advice and information to prisoners. We received and responded to thousands of letters from prisoners in more than 100 prisons across England & Wales. Through our reply letters, we provided detailed information on specific aspects of Prison Law and, where appropriate, our Caseworkers gave individually tailored legal advice. Following the substantial cuts to Legal Aid, we observed an added reliance on our letters service by prisoners for complicated matters where previously Legal Aid funded solicitors would have assisted them.

We also continued the expansion of our remote letters clinics in the academic sector by partnering with the Law Clinic at the University of Kent. Students there now offer assistance with our letters advice service under the supervision of a qualified solicitor and lecturer at the university. We visited the campus in October 2015 to deliver a training session for the Law Clinic students on how to draft responses to prisoners' letters and advice requests. In March 2016 we gave a lecture at the university on the rights of transgender prisoners and discrimination issues faced by some prisoners. The principal aim of the remote clinics is to provide assistance and increased capacity in the form of additional legal volunteers at remote locations, in the context of growing demand for our services from prisoners. The remote clinics also benefit the students participating by giving them hands-on experience in Prison Law and the drafting of legal letters. This new clinic at the University of Kent joined our existing remote letters clinics at Essex University and Sunderland University. We are thankful for the help of these three universities and their law students.

We also expanded our remote letters clinics in the corporate sector. As well as the corporate partnerships that we had formed in the previous year with Simmons & Simmons and Herbert Smith Freehills, over the last year we established new partnerships with Mayer Brown and, since year end, Shearman & Sterling, Reed Smith, Latham & Watkins and Blackrock's legal department. All seven firms now operate remote letters clinics for us in a manner similar to the academic project described above. Their pro-bono contribution significantly increases our capacity to respond to prisoners' written enquiries to us and we are very grateful for the support of these firms and their volunteers.

Since year-end, we have recruited a Partnerships Manager, as a pilot project (subject to funding), to help us manage our partnerships with these 3 universities and 7 corporates as effectively as possible. This in turn will maximise the benefit for prisoners of the letter advice service.

##### Self-Help Toolkits

The Legal Aid cuts have significantly reduced the number of solicitors practising Prison Law. In response to this, we started during the year to produce a range of self-help tool-kits for prisoners - to help them undertake some legal process by themselves. The list of areas addressed by the tool-kits is as follows:

- Pre-tariff reviews
- Release on Temporary Licence (includes Childcare Resettlement Leave)
- Mother and Baby Units
- Re-categorisation reviews
- Home Detention Curfew applications
- Taking a property claim to the County Court
- Category A reviews
- Closed visits & banned visitors
- Governors' Adjudications
- Parole Board delays.

We will also convert these tool-kits into "Easy Read" versions - so that as many as possible within the prison estate, including those with low literacy levels, can benefit from them. We have secured a grant from The Legal Education Foundation to support this initiative and we are most grateful for their help.

## **PRISONERS' ADVICE SERVICE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)**

#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

##### **Foreign National Prisoners**

During the year, we prepared for our expansion of services into the provision of Immigration Law advice for Foreign National Prisoners. Through a joint project with the charity Rights of Women (called the Athena Project), we secured free training for our Caseworkers to qualify for OISC (Office of the Immigration Services Commissioner) accreditation at levels 1 & 2. This training began in June 2015 and has been ongoing since then. We have secured a grant from Trust for London to support this initiative and we are very thankful for their generosity.

We attended Huntercombe prison in Oxfordshire in August 2015 to speak to prisoners being trained to act as Peer Advisers there. Huntercombe holds only foreign nationals. Our talk, which was followed by a lively discussion, was structured to relate to the specific needs of this group of prisoners. This includes the difficulties that Foreign National Prisoners who are very low security face in obtaining Category D status which will allow their transfer to an open prison. This is due to the complex interplay between prison and immigration procedures.

##### **Bulletin**

We continued to reach an increasing readership through our quarterly Prisoners' Legal Rights Bulletin. This Bulletin contains up-to-date and accurate information about new legislation and cases, a list of new Prison Service Instructions and commentary on cases that have gone before the Prisons and Probation Ombudsman. Subscribers to the Bulletin this year included prisoners, solicitors, barristers, academic organisations, journalists, and prison libraries. Subscription by prisoners grew over the past year. We are extremely grateful to Herbert Smith Freehills who printed all editions of the Bulletin for us pro bono during the year.

##### **Fundraising and Communications**

As the effect of the Legal Aid cuts continued to be felt, PAS increased its public profile and fundraising. We have been gratified, as always, by the outpouring of support from loyal and new donors. Following strenuous fundraising activities, and thanks in large part to the support of our major funders, we were able to fund all our activities and to make a small surplus for the year on a total income of £417,717.

During the year, we were most grateful to receive major grants from the Hadley Trust (£60,000), Trust for London (£60,000 over 3 years), The Legal Education Foundation (£52,000 over 2 years), Garfield Weston Foundation (£20,000), A B Charitable Trust (£20,000), Northmoor Trust (£15,000) and several smaller grants of up to £5,000 each. We also continued to benefit from our multi-year grants from the Big Lottery Fund (£34,876 p.a.) and Barrow Cadbury Trust (£20,000 p.a.). This collective support from our major funders was absolutely vital in ensuring that we could undertake current work and plan for the future.

Throughout the year, we continued to run an online fundraising campaign through the Global Giving website aimed at the general public. So far this has raised over £22,000. We also set up a text giving platform for the first time through the JustGiving website.

We raised additional funds by taking part in various events and activities. In May 2015, staff and volunteers raised over £400 in sponsorship through the Great Legal Walk. During National Pro Bono Week in November 2015, quizzes were held all over the country to raise funds for Legal Support Trusts and local legal advice charities. The PAS pub quiz was held in The Rugby Tavern in Holborn. Fifty individuals attended the event, forming ten teams that represented groups of barristers' chambers, solicitors' firms, universities, and loyal supporters of our work. The event raised over £400. In February 2016 one of our volunteers ran a half-marathon and raised nearly £700 in sponsorship to help support our work. Staff and volunteers also participated in the "Great Legal Bake" in February 2016 and we raised over £700 through this initiative – the highest amount achieved among the 180 organisations participating nationwide. In March 2016, we spoke at the "Legal Upstarts" (young lawyers) dinner and funds of more than £1,000 were raised for us through tickets sales, a raffle and an auction. Further fundraising events have been held since year-end including: a Summer Charity Auction kindly organised by law firm Reece Thomas Watson, another sponsored walk, and another pub quiz.

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Fundraising and Communications (continued)

We raised our public profile by staging a number of events. Our annual panel discussion was held in May 2015 in the Grosvenor Estate offices (we were thankful to be allowed free use of their auditorium) with catering provided by The Clink restaurant. The topic was "Does the European Convention on Human Rights provide adequate human rights protection to UK prisoners?". In November 2015, our newest Patron, His Honour John Samuels QC, delivered the annual PAS Lecture in the offices of CMS Cameron McKenna (we were grateful to be given free use of their auditorium). His thought-provoking speech was entitled "Rehabilitation: Starry-Eyed Idealism, or a Realistic Aspiration?" and was attended by 90 guests. The lecture was preceded by a moving testimony from Kevin Pilgrim, an ex-prisoner and a PAS volunteer. Further profile-raising events have been held since year-end including another panel discussion in May 2016 on the subject "Discrimination undisclosed: transgender, travellers and older prisoners" and another lecture (by our Patron Edward Fitzgerald QC) in November 2016 on the topic "Life Without Parole".

We continued to raise our social media profile significantly, and we now have over 800 'Likes' on Facebook, over 1,200 followers on Twitter and a LinkedIn page. Our website attracted regular traffic and we published a quarterly e-newsletter for our supporters. We continued to receive media coverage. In April 2015, we were quoted in an article on BBC News on-line entitled "Prisoner 'absconder policy' is ruled unlawful by High Court". In December 2015, we gave a statement to *The Guardian* newspaper in an article entitled: "Children denied visits to fathers in jail after rule changes – charity." We were also mentioned in an article in *The Guardian* in January 2016, called "How one prisoner's letter led to a jail reading scheme" for helping a client to obtain release on parole. In April 2016, just after year end, *Inside Time* (the prison newspaper) published a letter on a prisoner's re-categorisation entitled "Wonderful Prisoners' Advice Service". We were also mentioned in that edition in a letter about our help in overturning a table ban in a segregation unit.

##### Thank You

We are most grateful to all our supporters in 2015-16, many of whom are listed below in Note 4 to the Accounts. We also thank all those individuals who have given of their time, or money, to support our work with prisoners. There are too many of you to list here but, particularly in the current challenging aftermath of the Legal Aid cuts, each of you has played a part in keeping PAS going and thriving over the past year. Thank you all very much for helping us to be able to advise our prisoner beneficiaries.

#### FINANCIAL REVIEW

Free reserves held on 31 March 2016 were £95,488 representing three 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 a total surplus of £44,964 (2015: surplus of £29,305) of which a surplus of £39,249 (2015: surplus of £9,805) relates to unrestricted funds and a surplus of £5,715 (2015: surplus of £19,500) to restricted funds

Further details of the charity performance can be found in the Statement of Financial Activities on page 13 and the Balance Sheet on page 14.

Funding sources for the period 2015/2016 included income of £53,587 (2015: £84,514) from the Legal Services Commission and other legal fees. Casework legal costs which substantially related to this legal fee income totalled £26,740 (2015: £51,938) providing a net contribution of £26,847 (2015: £32,576) before salary and overheads.

There was also income arising from restricted and unrestricted grants, as well as gifts-in-kind and donations from individuals.

## PRISONERS' ADVICE SERVICE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

#### 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.

#### 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 July 2014) 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 19/12/2016

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

We report on the accounts for the year ended 31 March 2016 which are set out on pages 13 to 26.

### 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 we are qualified to undertake the examination by being qualified members of the Institute of Chartered Accountants in England and Wales.

Having satisfied ourselves that the charity is not subject to an audit under company law and is eligible for independent examination, it is our 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 our attention.

### Basis of Independent Examiner's Statement

Our 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 our examination, no matter has come to our attention:-

- (1) which gives us 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 our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*M. Jellicoe*

Michael Jellicoe  
Prime  
Chartered Accountants  
Corner Oak  
1 Homer Road  
Solihull  
West Midlands  
B91 3QG

*20 Dec 2016*

## PRISONERS' ADVICE SERVICE

## STATEMENT OF FINANCIAL ACTIVITIES (incorporating THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2016

	Note	Year ended 31.3.2016			Year ended 31.3.2015 (restated)		
		<u>Restricted</u> <u>Funds</u> £	<u>Unrestricted</u> <u>Funds</u> £	<u>Total</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> £	<u>Unrestricted</u> <u>Funds</u> £	<u>Total</u> <u>£</u>
<b>Income from:</b>							
Donations	2	69,075	212,015	281,090	60,499	165,177	225,676
<b>Charitable activities:</b>							
Advice and information	3	82,520	54,037	136,557	95,464	84,874	180,338
<b>Investments:</b>							
Interest receivable		-	70	70	-	10	10
<b>Total income</b>		<u>£151,595</u>	<u>£266,122</u>	<u>£417,717</u>	<u>£155,963</u>	<u>£250,061</u>	<u>£406,024</u>
<b>Expenditure on:</b>							
<b>Costs of raising funds:</b>							
Costs of generating donations	5	-	34,402	34,402	-	25,322	25,322
<b>Charitable activities:</b>							
Advice and information	5	145,880	192,471	338,351	136,463	214,934	351,397
<b>Total expenditure</b>		<u>£145,880</u>	<u>£226,873</u>	<u>£372,753</u>	<u>£136,463</u>	<u>£240,256</u>	<u>£376,719</u>
<b>Net income and net movement in funds for the year</b>	15	5,715	39,249	44,964	19,500	9,805	29,305
<b>Reconciliation of funds:</b>							
<b>Funds brought forward</b>		19,500	58,465	77,965	-	48,660	48,660
<b>Funds carried forward</b>		<u>£25,215</u>	<u>£97,714</u>	<u>£122,929</u>	<u>£19,500</u>	<u>£58,465</u>	<u>£77,965</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 15 to 26 form part of these financial statements.

**PRISONERS' ADVICE SERVICE****BALANCE SHEET AS AT 31 MARCH 2016**

		<u>2016</u>		<u>2015 (restated)</u>	
	<u>Note</u>	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		2,226		2,447
<b>CURRENT ASSETS</b>					
Debtors	11	87,352		123,997	
Cash at bank and in hand		108,090		22,700	
		-----		-----	
		195,442		146,697	
<b>CREDITORS: amounts falling due within one year</b>	12	74,739		71,179	
		-----		-----	
<b>NET CURRENT ASSETS</b>			120,703		75,518
			-----		-----
<b>TOTAL ASSETS</b>			£122,929		£77,965
			=====		=====
<b>CAPITAL AND RESERVES</b>	15				
Restricted funds			25,215		19,500
Unrestricted funds			97,714		48,660
			-----		-----
<b>TOTAL CHARITY FUNDS</b>			£122,929		£77,965
			=====		=====

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.

These financial statements were approved and authorised for issue by the Trustees on ...19/12/... 2016 and are signed on their behalf by:

.....  
M Lignon

Company Registration Number 3180659

The notes on pages 15 to 26 form part of these financial statements.

# PRISONERS' ADVICE SERVICE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1. ACCOUNTING POLICIES

#### (a) Basis of Accounting

Prisoners' Advice Service is a charitable company limited by guarantee and a registered charity in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are given on pages 1 to 3 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current financial year.

#### (b) Reconciliation with previous Generally Accepted Accounting Practice and Changes in Accounting Policies

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS 102 a restatement of comparative items was needed. At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for employee entitlement to accrued annual leave. The initial liability recognised at the date of transition was for the holiday entitlement brought forward and then also for the entitlement arising in the year which was due but not taken. No other restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

#### Reconciliation of Funds and Balances

	<u>1 April 2014</u>	<u>31 March 2015</u>
	£	£
Fund balances as previously stated	50,001	83,516
Accrued annual leave	(1,341)	(5,551)
Fund balances as restated	-----	-----
	£48,660	£77,965
	-----	-----

#### Reconciliation of Net Income

	<u>Year ended 31 March 2015</u>
	£
Income as previously stated	33,515
Movement in accrued annual leave	(4,210)
Income as restated	-----
	£29,305
	-----

Comparative figures in the Statement of Financial Activities have been adjusted accordingly.



# PRISONERS' ADVICE SERVICE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

### 1. ACCOUNTING POLICIES (continued)

#### (b) Reconciliation with previous Generally Accepted Accounting Practice and Changes in Accounting Policies (continued)

The Trustees have considered whether reporting all restricted grants as income arising from charitable activities is still appropriate. The Trustees have re-designated some restricted grants as income arising from donations. This change in policy has no effect on net income. Restricted grants valued at £51,499 were reclassified in the previous financial year as donations.

Governance costs, which were previously shown on the face of the Statement of Financial Activities, are now included in support costs as explained in note 1(e).

All of these changes are in accordance with the new SORP.

#### (c) Going concern

These financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### (d) Incoming Resources

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:-

- For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.
- Income from grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred. Specified or strongly implied time periods over which expenditure can take place are deemed to be donor conditions and grant income is deferred where the expenditure from such a grant is expected to take place in a future accounting period.
- Donated facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.
- No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report, where relevant.
- Investment income is earned through holding assets for investment purposes such as term deposit accounts. It includes interest income which is recognised as it accrues.
- In respect of contracts for ongoing services, fees for legal services represent the value of work done in the year including estimates of amounts not invoiced.
- 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.

# PRISONERS' ADVICE SERVICE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

### 1. ACCOUNTING POLICIES (continued)

#### (e) Expenditure Recognition

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 donations 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 including governance costs.
- 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.

#### (f) 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

#### (g) Employee Benefits and Pension Costs

When employees have rendered service to the charity, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable. The assets of the scheme are held separately from those of the charity.

#### (h) Fixed assets and 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.

**PRISONERS' ADVICE SERVICE****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)****1. ACCOUNTING POLICIES (continued)****(i) 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.

**(j) 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.

**(k) Creditors and provisions**

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

**(l) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(m) Operating Leases**

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

**(n) Financial Instruments**

The charity has only financial assets and liabilities of a kind that qualify as basic financial instruments. These basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

---

**PRISONERS' ADVICE SERVICE****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)****2. DONATIONS**

	<u>2016</u>	<u>2015</u>
	£	£
Donated services	17,842	10,241
Donations - unrestricted	10,073	33,436
Core funding grants (note 4)	184,100	121,500
	-----	-----
	212,015	165,177
 Restricted grants (note 4)	 55,600	 51,501
Restricted donations	13,475	8,998
	-----	-----
	<u>£281,090</u>	<u>£225,676</u>

The donated services relate to the generous funding of printing, event auditorium hire and other costs and to the provision of pro bono legal support.

Included in restricted donations is £13,375 (2015: £6,638) raised from individuals who donated via Global Giving (UK) to support the provision of legal advice to women and disabled prisoners.

**3. INCOME ARISING FROM CHARITABLE ACTIVITIES  
ADVICE AND INFORMATION**

	<u>2016</u>	<u>2015</u>
	£	£
Grants funding activities (see note 4)	82,520	95,464
Legal Services Commission fees and other legal fees inc reimbursed costs	53,587	84,514
Prisoners' Legal Rights Group	450	360
	-----	-----
	<u>£136,557</u>	<u>£180,338</u>

**PRISONERS' ADVICE SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)**

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

<u>Source</u>	<u>Purpose</u>	<u>2016</u> £	<u>2015</u> £
29 May 1961 Charitable Trust	Core funding	5,000	5,000
1970 Trust	Core funding	3,000	3,000
The AB Charitable Trust	Core funding	20,000	20,000
Allen and Overy Foundation	Core funding	5,000	5,000
The Denton Charitable Trust	Core funding	1,500	-
Garfield Weston Foundation	Core funding	20,000	-
The Hadley Trust	Core funding	60,000	60,000
Herbert Smith Freehills	Core funding	3,000	-
J Paul Getty Jnr Charitable Trust	Core funding	25,000	-
The Leigh Trust	Core funding	1,000	2,000
The London Legal Support Trust	Core funding	13,000	10,000
The Northmoor Trust	Core funding	15,000	10,000
The P&C Charitable Trust	Core funding	1,000	-
The Oakdale Trust	Core funding	1,000	-
The William Allen Young Charitable Trust	Core funding	-	2,000
Simmons and Simmons Charitable Foundation	Core funding	5,000	-
Souter Charitable Trust	Core funding	2,000	-
William and Katherine Longman Charitable Trust	Core funding	2,000	-
Other	Core funding	1,600	4,500
<b>Total Unrestricted Core Funding Grants</b>		<b>£184,100</b>	<b>£121,500</b>
1989 William Charitable Trust	Tyne and Wear and Northumberland Activities	3,300	-
The Access to Justice Foundation	Outreach Clinics	-	5,000
The Albert Hunt Trust	Older Prisoners	-	2,000
The Alice Ellen Cooper Dean Charitable Foundation	Housing for Disabled & Women Prisoners upon Release	-	5,000
The Beatrice Laing Trust	Housing for Vulnerable Prisoners upon Release	2,500	-
Charles Hayward Foundation	Women Prisoners	5,000	-
The Charles Irving Trust	Older Prisoners	1,800	-
Christopher Holmes Charitable Fund	Essex Activities	3,778	-
The City of London Solicitors' Company	Disabled Prisoners	1,000	-
The Cole Charitable Trust	Women & Disabled Prisoners Outreach	1,000	3,000
The Constance Travis Charitable Trust	Housing upon Release	3,000	3,000
The Drapers' Charitable Trust	Older Prisoners	-	3,000
Essex Community Foundation	Essex Activities	-	-
The Evan Cornish Foundation	Outreach Service	7,500	-
The Fowler Smith and Jones Trust	Essex Activities	-	2,000
The Goldsmiths Company	Outreach Service	3,000	-
Hadrian Trust	North East Activities	1,000	-
The Law Society Charity	Costs relating to letter advice	5,000	5,000
The Leathersellers' Company Charitable Fund	Disabled Prisoners	5,000	5,000
The Michael Pratley Charitable Fund	Essex Activities	1,222	-
The Mulberry Trust	Older Prisoners	3,000	3,000
The Norton Foundation	Young Adult Prisoners in the Midlands	-	2,000
The Persula Foundation	Disabled Prisoners	2,000	2,000
Peter Minet Trust	South East London Activities	4,000	-
Peter Stebbings Memorial Charity	Older Prisoners	-	3,000
The Rhiannon Trust	Women Prisoners	1,000	-
The Swan Mountain Trust	Belmarsh Outreach Clinic	-	2,000
The Walter Guinness Charitable Trust	Wiltshire and Swindon Activities	-	2,000
The Woodward Charitable Trust	Training for Advisors	1,000	-
Others		500	4,501
<b>Total restricted grants recorded as donations</b>		<b>£55,600</b>	<b>£51,501</b>
The Barrow Cadbury Trust	Women's Outreach Clinics	20,000	19,000
Big Lottery Fund	Telephone Advice Line	34,879	31,464
J Paul Getty Charitable Trust	Outreach Service	-	15,000
Legal Education Foundation	Legal Self Help Tool Kits	24,000	-
Trust for London	Immigration Legal Advice for Women	20,000	-
The Tudor Trust	Costs relating to Managing Solicitor	-	30,000
<b>Total Restricted Grants recorded as Income arising from Charitable Activities</b>		<b>£98,879</b>	<b>£95,464</b>
<b>Total Grants receivable in the Year</b>		<b>£338,579</b>	<b>£268,465</b>

## PRISONERS' ADVICE SERVICE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

## 4. GRANTS RECEIVABLE DURING THE YEAR AND MOVEMENT ON DEFERRED INCOME (continued)

	<u>2016</u>	<u>2015</u>
	£	£
Deferred grants at 1.4.2015	5,706	2,934
Grants received in the year (charitable activities)	98,879	149,737
Deferred grants at 31.3.2016	(22,065)	(5,706)
	-----	-----
Grants released to income	<u>£82,520</u>	<u>£146,965</u>

Income is deferred where either performance conditions have not been fulfilled in the year or the income is intended by the donor to relate to a future accounting period.

## PRISONERS' ADVICE SERVICE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

## 5. TOTAL RESOURCES EXPENDED

	<u>Basis of Allocation</u>	<u>Raising Funds</u> £	<u>Advice and Information</u> £	<u>Governance</u> £	<u>Total</u> £	<u>2015 (restated)</u> £
<b>Costs directly allocated to activities:</b>						
Staff costs	Direct	28,689	171,132	11,334	211,155	196,520
Legal and casework costs	Direct	-	26,740	-	26,740	51,938
Independent examiner's fees	Direct	-	-	4,710	4,710	3,370
Other	Direct	783	6,096	-	6,879	7,726
<b>Support costs allocated to activities:</b>						
Staff costs	Staff time	1,748	40,207	1,748	43,703	40,885
Office costs	Usage	2,162	49,743	2,162	54,067	51,882
Premises costs	Usage	1,020	23,459	1,020	25,499	24,398
Governance costs allocated to activities		-	20,974	(20,974)	-	-
<b>Total resources expended</b>		<u>£34,402</u>	<u>£338,351</u>	<u>£Nil</u>	<u>£372,753</u>	<u>£376,719</u>
<b>2015</b>		<u>£25,322</u>	<u>£351,397</u>	<u>£Nil</u>	<u>£376,719</u>	

**PRISONERS' ADVICE SERVICE****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)****6. SALARY COSTS AND NUMBERS**

	<u>2016</u>	<u>2015</u>
	£	£
Gross	212,245	196,441
Employer's NIC	19,053	17,284
Pension contributions	10,389	10,589
Employee benefits	8,748	9,720
	<u>£250,435</u>	<u>£234,034</u>

No employee earned more than £60,000 (2015: £nil).

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

	<u>2016</u>	<u>2015</u>
	£	£
Legal Staff	7	6
Administration	1	1
	<u>8</u>	<u>7</u>

The charity considers its key management personnel comprise its Joint Managing Solicitors. The total amount of employee benefits including employer's pension contributions received by key management personnel were £64,842 (2015: £58,588).

None of the Trustees received any remuneration during the year (2015: £nil).

None of the Trustees received any reimbursement of expenses during the year (2015: £nil).

**7. NET INCOME/(EXPENDITURE) FOR THE YEAR**

	<u>2016</u>	<u>2015</u>
	£	£
Net income/(expenditure) for the year is after charging:-		
Depreciation	1,741	1,529
Independent examiner's remuneration as examiner	3,750	2,850
Independent examiner prior year under accrual	800	-
Independent examiner's remuneration for advice	160	520
Rentals under operating lease:		
Land and buildings	21,000	19,000
Other assets	3,038	3,007
	<u>£29,929</u>	<u>£26,906</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 £10,389 (2015: £10,397) to a defined contribution scheme during the year of which £988 (2015: £1,059) was outstanding at year end.



## PRISONERS' ADVICE SERVICE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 (cont'd)

## 10. TANGIBLE FIXED ASSETS

Office Fixtures and EquipmentCost:

<i>At 1 April 2015</i>	9,363
Additions	1,520
Disposals	(850)
	-----
At 31 March 2016	£10,033
	=====

Depreciation:

<i>At 1 April 2015</i>	6,916
Charge for year	1,741
Disposals	(850)
	-----
At 31 March 2016	£7,807
	=====

Net Book Value

At 31 March 2016	£2,226
	=====
<i>At 31 March 2015</i>	£2,447
	=====

## 11. DEBTORS

	<u>2016</u>	<u>2015</u>
	£	£
Trade debtors	69,788	102,734
Other debtors	5,655	10,102
Prepayments	11,909	11,161
	-----	-----
	£87,352	£123,997
	=====	=====

## 12. CREDITORS: amounts falling due within one year

	<u>2016</u>	<u>2015</u>
	£	£
Taxation and social security	6,180	5,240
Other creditors	988	1,059
Accruals	45,506	59,174
Deferred grant income (see note 4)	22,065	5,706
	-----	-----
	£74,739	£71,179
	=====	=====

## 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 2016 (cont'd)

### 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total Funds</u>
	£	£	£
Fixed assets	-	2,226	2,226
Current assets	47,280	148,162	195,442
Current liabilities	(22,065)	(52,674)	(74,739)
	<u>£25,215</u>	<u>£97,714</u>	<u>£122,929</u>

### 15. RESTRICTED FUNDS

	<u>At 1 April 2015</u>	<u>Incoming Resources</u>	<u>Outgoing Resources</u>	<u>At 31 March 2016</u>
	£	£	£	£
Community	12,000	24,337	(25,847)	10,490
Advice Line	-	34,770	(34,770)	-
Regional	-	16,800	(6,945)	9,855
Women – Barrow Cadbury	-	20,000	(20,000)	-
Women – Other Donors	-	14,438	(14,438)	-
Immigration Advice	-	15,000	(15,000)	-
Legal Education	-	12,750	(12,750)	-
Outreach	5,000	7,500	(12,500)	-
Other	2,500	6,000	(3,630)	4,870
	<u>19,500</u>	<u>151,595</u>	<u>(145,880)</u>	<u>25,215</u>
Unrestricted funds	58,465	266,122	(226,873)	97,714
Total Funds	<u>£77,965</u>	<u>£417,717</u>	<u>£(372,753)</u>	<u>£122,929</u>

#### Purposes of restricted funds:

Community: This fund was used to meet the salary and other costs of the charity's community care projects. These include advice with older, disabled and women prisoners prior to their release and upon release.

Advice Line: This fund was used to meet some of the costs of running the Advice Line.

Regional: This fund was used to meet costs incurred in donor-specified regions and designated outreach clinics.

Women: These funds are derived from a donation from the Barrow Cadbury Trust and from others and were used to meet the cost of the caseworker for women prisoners.

Immigration Advice: This fund was used to meet the salaries and training of legal caseworkers to provide specialist immigration legal advice to detained women foreign nationals.

Legal Education: This fund was used towards a project to fund the production and distribution of legal self-help "toolkits" for prisoners.

Outreach: This fund was used to meet the salary cost of the caseworker for the charity's outreach service.

Other: This fund was used to meet some of the costs of replying to correspondence from prisoners and includes other donations with restricted purposes.

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 2016 (cont'd)****16. RELATED PARTIES**

There were no transactions with related parties during the year (2015: none) that are required to be disclosed in these accounts.

**17. OPERATING LEASE COMMITMENTS**

At 31 March 2016 the charity had the following total future commitments under non-cancellable operating leases:-

	<u>Land and Buildings</u>	<u>Other</u>
	£	£
Expiring within one year	£25,000	£Nil
Expiring within two to five years	£Nil	£10,887

**18. CONTINGENT LIABILITY**

The charity, together with the Howard League for Penal Reform, has mounted a legal challenge to Legal Aid cuts for prisoners. Under the Protective Costs Order obtained, the maximum liability for the charity, were it to lose the case, is for costs up to £5,000.