



**PARTNERS OF PRISONERS AND
FAMILIES SUPPORT GROUP**

A COMPANY LIMITED BY GUARANTEE

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**For the year ended
31 March 2013**

**Company Registration Number 3067385
Charity Number 1048152**

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

Financial Statements

Year ended 31 March 2013

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**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

Members of the Board and professional advisors

Registered charity name Partners of Prisoners and Families Support Group

Company registration number 3067385

Charity number 1048152

Registered office Valentine House
1079 Rochdale Road
Blackley
Manchester
M9 8AJ

The board of trustees Gilmour Black (Chair)
William Ashberry
Anna Davie
Stephen Cook
Stuart Wallace
Vicky Charles
Eveleyn Asante-Mensah
Susan Leach
Mark Rowlands

Auditors Mitchell Charlesworth
Chartered Accountants
Registered Auditor
11th Floor
129 Deansgate
Manchester
M3 3WR

Bankers Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Solicitors Hempsons
City Tower
Piccadilly Plaza
Manchester
M1 4BT

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2013

The trustees present their report and the financial statements of the charity for the year ending 31 March 2013.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees who served the company during the period were as follows:

Chair: Gilmour Black

Trustees: William Ashberry
Anna Davie
Jim Dobson
Stephen Cook
Christine Verduyn
Selina Pavey
Stuart Wallace
Vicky Charles
Eveleyn Asante-Mensah
Susan Leach
Mark Rowlands

Principal Staff: Diane Curry OBE (CEO)

Mrs Selina Pavey resigned as a trustee on 23/04/2012

Mr Gilmour Black was appointed as a trustee on 23/07/2012

Ms Vicky Charles was appointed as a trustee on 23/07/2012

Mrs Eveleyn Asante-Mensah was appointed as a trustee on 23/07/2012

Mr Jim Dobson resigned as a trustee on 23/07/2012

Miss Susan Leach was appointed as a trustee on 22/10/2012

Mr Mark Rowlands was appointed as a trustee on 22/10/2012

Dr Christine Verduyn resigned as a trustee on 18/03/2013

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2013 *(continued)*

Structure, Governance and Management

Governing Document

Partners of Prisoners and Families Support Group (POPS) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 12/06/1995 as amended by special resolution(s) dated 12/08/2002 as amended by special resolution(s) dated 15/09/2003 now articles adopted by special resolution dated 18/03/2013 as registered at Companies House on 08/04/2013.

Governance

Appointment of trustees

One third of the members of the Board of Trustees are retired by rotation at the annual general meeting. Retiring members are able to apply to be re-elected. The Charity is currently expanding the number of Trustees in order to introduce additional skills to complement those of the existing Board of Trustees. Selected prospective trustees complete an application form and are interviewed by the Chair of the Board before being proposed to the Board of Trustees for acceptance as a new Board Member.

Trustee induction and training

New trustees are provided with a comprehensive induction pack and undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. (Additional communication systems have been initiated in order to have contact with trustees outside of statutory meeting: i.e.: conference calls, mini comms updates etc.)

Organisation

The members of the Board of Trustees attend up to four meetings a year. Additionally some members attend sub-group management committees dealing in depth with financial performance, prudential management and personnel matters. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the Scheme of Delegation document agreed by the Board of Trustees.

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2013 *(continued)*

Risk Management

The charity has reviewed all its funding sources and implemented staffing changes to specialise in negotiating and sourcing grants.

Internal risks are minimised by implementation of management controls and self-auditing procedures. The financial management of the organisation is controlled by a specialist in house department and is overseen by the management sub-committee of the Board of Trustees. A new risk management framework has been developed to improve decision making.

The trustees confirm that the major risks, to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

Objectives and activities

The charity's objects are:

- 1) The advancement of education and training and the relief of poverty and sickness among persons who are suffering, or who have suffered, a legal restriction on their liberty in a penal or correctional establishment, or through any means whatsoever, and the families of such persons in such ways the trustees think fit, and
- 2) To further promote the study of, and research into, all aspects and methods of the prevention of crime and delinquency, and to obtain and make records of, and disseminate the useful results of such research for the benefit of the public.

These objectives are delivered by following the current mission statement:

Partners of Prisoners and Families Support Group (POPS) aims to provide a variety of services to support anyone who has a link with someone in prison, prisoners and other agencies.

POPS provides assistance to these groups for the purpose of enabling families to cope with the stress of arrest, sentencing, imprisonment and release.

POPS has always been a proactive organisation and recognises the ever-changing needs of its client groups, especially in light of the major changes within the Criminal Justice System. These needs, and the rapid growth in demand for the charity's services, have been the background to the development and implementation of a three year Strategic plan and organisational restructure.

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2013 *(continued)*

The seven strategic priorities in the plan are as follows:

- 1) To maintain POPS focus on working with offenders families at all stages of the Criminal Justice System (from arrest to release) and with all associated agencies.
- 2) To continue to seek a portfolio of activities that will expand our service provision both geographically and in scope.
- 3) To support and develop POPS staff and volunteers to enable them to work effectively to ensure continued growth of the organisation.
- 4) To continue to strengthen POPS financial position and continue to identify new and diverse sources of income
- 5) To continue to increase and develop the involvement of service users to influence the way our services and that of other agencies are delivered.
- 6) To continue to work to promote the single equality agenda especially in the area of racial discrimination within the Criminal Justice System.
- 7) To formulate a cohesive framework to draw together communications and key messages to ensure consistency of understanding of our ethos and work to all stakeholders.

Achievements and performance

POPS has an overall vision to be the first choice for providing quality services to offenders' families and to give such families a voice whilst doing so. We are also focused on developing quality business management and service delivery in line with new Government agendas. The following activities were built into the "plans for the future" 2012/2013 annual report and have been implemented and continue to move POPS towards achieving its overall strategic aims.

Financial Stability

POPS year end has continued to safeguard its financial security by successfully working during the year to operate within the budget plan. We have continued to diversify our approach to the external market by investing in contracting and commissioning skills and training in competitive bidding. We have continued to incorporate diverse funding streams to include Local authority, Academic research partnerships and commercial activities (Social enterprise)

Partnerships

POPS continues to develop the concept of a "Continuum of Care" for offender's families as they progress through the various stages of the Criminal Justice System.

- Central to this work is the delivery of the National Offenders Freephone helpline 0808 808 2003 funded by NOMS - 13,000 calls per year and 52,000 hits on the website each year.

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2013 *(continued)*

- The delivery of the “Making the connection” model for 10 Visitor Centers in the North West, England that will benefit not only families of prisoners, but the commissioner, the establishment and the offender also - 177,000 visits supported by POPS visitor centers each year.
- Continued contracts with Youth Offending Service, National Probation Service, (NOMS) and Daast has resulted in POPS Family Link worker Model becoming an embedded and integral service delivery model for families
- By supporting offenders and ex-offenders, POPS social enterprise (2nd chance) has developed its offer to community payback and community volunteer placements providing a “next step” pathway for offenders on community sentence and upon release – 758 unpaid work hours completed by ex-offenders at 2nd Chance to date.
- Bringing POPS expertise to the policy and delivery table of the Troubled Families agenda has enabled families we work with to be identified and access support at an earlier stage.
- We have increased our local visibility by linking with Local Authority agendas and making our service integral to their requirements.
- Continued to support Black Offenders via our routes to roots programme, our involvement in Coalition for Racial Justice (UK) and the Manchester BME roundtable.
- We are driven to consider innovative solutions to Criminal Justice issues including training to prison staff utilizing drama techniques.
- Our role within research has been endorsed via our continued relationship with the European funded (Network 7) COPING project highlighting the resilience and self-esteem of offender’s children - 800,000 children affected by parental imprisonment in the EU.
- Providing a voice to families of those involved in serious youth and gang violence has provided a platform for families to have their needs considered and influence future service delivery. – 100 questionnaires completed and 11 family forums held.
- Working with Schools to consider the effects of serious youth and gang violence has enabled the impact of such offending on individuals, their families and their communities to be acknowledged and addressed.

Leadership and Management

POPS implemented an organisational staff and structure review to ensure our capacity to deliver is ‘fit for purpose’ and we are able to demonstrate capacity for growth. We have a Head of operations and a pilot new Business Manager in post alongside newly formed adult, children and young people department managers.

Strategic Plan

POPS has invested in a staff and Board away day to review and update the strategic direction resulting in a revised strategy for 2012-2015. This has included producing robust financial, communication and IT strategies resulting in a refreshed finance department, substantial IT upgrade and corporate communication resources.

Quality

POPS is currently working within the Investors in People Award and the Telephone Helpline Association standards and will continue to review appropriate quality standards frameworks going forward.

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2013 *(continued)*

Human Resources

All the terms and conditions of service (contractual and non-contractual) are reviewed yearly and updated appropriately to be in line with current legislation. This will be closely monitored during 2012/13 by the Human Resources Manager, due to significant proposed changes by the government. Policies and procedures upheld and adhered.

Governance

POPS has recruited new Board members to reflect our growth and the capacity required to govern a growing organisation. We have acquired a new Chair and Vice Chair within a considered handover period to ensure continuity and stability. We will continue to actively recruit Trustees to compliment and add to current skill set.

Plans for the future:

POPS will start the new financial year with a budgeted deficit as a result of substantial investment in the management team structure.

Our plans to recover this deficit will be supported by remaining flexible in our approach to service delivery and building our capacity to respond and successfully to any opportunity that may present them.

We have devised action plans that will be utilized:

- To grow 2nd Chance Social enterprise to ensure profitable commercial activity alongside quality placements for offenders, including pre-employment support and placements.
- To influence local authority Troubled Families agenda's resulting in improved engagement of families that we may support.
- To identify funding for routes to roots relating to young offenders and issues for familial relationships.
- To engage the health and wellbeing boards to recognize the associated health needs of offenders children.
- Engage agencies on the findings of COPING research in order to increase services to children of offenders.
- To grow potential for the Making the Connection, visitors center model to engage with offender employment agenda within prisons.
- To develop and deliver full training modules for Hidden sentence, RJ parenting courses and academic research.
- To pursue new partnerships for potential delivery of services.
- To promote the measurements and metrics tool as an indicator of impact of POPS services upon family relationships and re-offending.

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

Trustees Annual Report

Year ended 31st March 2013 *(continued)*

Financial Review

The financial results for the year were very much on plan overall.

Gross Income was £1,669,080 that was £8,353 ahead of budget and £202,785 up on last the financial year.

Expenditure for the year was £1,673,484 that was £11,225 over budget and £202,356 higher than last year.

There was a deficit for the year of £4,404 versus a budget deficit of £1,532 and a previous year deficit of £4,833.

The total reserves of the charity at the end of the financial year are £639,511 (2012: £643,915). This has been split between a general fund of £515,762 (2012: £436,453), designated funds of £82,500 (2012: £122,500) and restricted funds of £41,249 (2012: £84,962).

The designated funds consist of: Building Maint./Security £15,000; HR & consultancy Fund £25,000; Governance & Trustee Recruitment/Training £7,500; Quality Standards £5,000; Pensions Auto-Enrolment Prep. £5,000; 2nd Chance development £15,000; Staff Development £10,000.

POPS has delivered its financial targets according to the budget. This secure financial situation will allow POPS to commit some of its reserve strength in the coming year to further develop the potential and expansion of the charitable activities.

Investment powers and policy

The charity has a policy of safe investment of surplus funds.

Reserves Policy

The policy of the charity is to maintain free reserves of between three and six months of the resources expended. At the end of the year, the free reserves were 4.51 months (2012: 3.26) excluding fixed assets.

Investment Policy for surplus funds

The Trustees adopt a prudent approach towards investment of the charity's surplus funds and regularly review the investment position.

Auditor

Mitchell Charlesworth have been re-appointed as auditor for the ensuing year.

Signed by order of the trustees

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Gilmour Black

Chairman

PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP A COMPANY LIMITED BY GUARANTEE

Statement of Trustees' Responsibilities

Year ended 31st March 2013

The trustees (who are also directors of Partners of Prisoners' and Families Support Group for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

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

In so far as the trustees are aware:

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

Mitchell Charlesworth

Chartered Accountants
Centurion House 129 Deansgate Manchester

Independent Auditor's Report to the Trustees of Partners of Prisoners' and Families Support Group Year ended 31st March 2013

We have audited the financial statements of Partners of Prisoners' and Families Support Group for the year ended 31st March 2013 on pages 12 to 25. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees Responsibility Statement on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Reports to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Mitchell Charlesworth

Chartered Accountants
Centurion House 129 Deansgate Manchester

Independent Auditor's Report to the Trustees of Partners of Prisoners' and Families Support Group *(continued)* Year ended 31st March 2013

Opinion of financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2013, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Centurion House
129 Deansgate
Manchester
M3 3WR

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MITCHELL CHARLESWORTH
Chartered Accountants
Statutory Auditor

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

**Statement of Financial Activities (including income and expenditure account)
Year ended 31st March 2013**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 March 2013 £	Total Funds Year to 31 March 2012 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
<i>Voluntary income</i>					
Grants and donations	4	8,189	625,569	633,758	466,726
<i>Activities for generating funds</i>					
Commercial trading operations	5	9,167	-	9,167	22,000
<i>Investment income</i>	6	826	-	826	1,051
		<u>18,182</u>	<u>625,569</u>	<u>643,751</u>	<u>489,777</u>
<i>Incoming resources from Charitable activities:</i>					
Operation of prison visitor centres, family link work and tea bar services	7	486,925	538,404	1,025,329	976,518
Total incoming resources		<u>505,107</u>	<u>1,163,973</u>	<u>1,669,080</u>	<u>1,466,295</u>
Resources expended					
<i>Costs of generating funds:</i>					
Fundraising costs of grants and donations	8	39,439	-	39,439	43,526
Sub total cost of generating funds		<u>39,439</u>	<u>-</u>	<u>39,439</u>	<u>43,526</u>
<i>Charitable activities:</i>					
Operation of prison visitor centres, family link work and tea bar services	8	404,272	1,217,321	1,621,593	1,414,192
Governance costs	8	12,452	-	12,452	13,410
Total resources expended		<u>456,163</u>	<u>1,217,321</u>	<u>1,673,484</u>	<u>1,471,128</u>
Net incoming /(outgoing) resources before transfers					
Gross transfers between funds	15	48,944 (9,635)	(53,348) 9,635	(4,404) -	(4,833) -
Net movement of funds in the year		<u>39,309</u>	<u>(43,713)</u>	<u>(4,404)</u>	<u>(4,833)</u>
<i>Reconciliation of funds</i>					
Total funds brought forward		558,953	84,962	643,915	648,748
Total funds carried forward		<u>598,262</u>	<u>41,249</u>	<u>639,511</u>	<u>643,915</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 14 - 25 form part of these financial statements.

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

Balance sheet as at 31st March 2013

	Note	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	18		197,485		192,201
Current assets					
Stocks	19	14,529		10,529	
Debtors	20	171,582		154,300	
Cash at bank and in hand		362,622		393,405	
		<u>548,733</u>		<u>558,234</u>	
Creditors: Amounts falling due within one year	21	<u>(106,707)</u>		<u>(106,520)</u>	
Net current assets			442,026		451,714
Total assets less current liabilities			<u>639,511</u>		<u>643,915</u>
Net assets			<u>639,511</u>		<u>643,915</u>
Funds					
Restricted income funds	25		41,249		84,962
Unrestricted income funds					
General	25	515,762		436,453	
Designated	25	<u>82,500</u>		<u>122,500</u>	
Net current assets			<u>598,262</u>		<u>558,953</u>
Total funds			<u>639,511</u>		<u>643,915</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee on the and are signed on their behalf by

Gilmour Black
Chairman

The notes on pages 14 - 25 form part of these financial statements.

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

**Notes to the Financial Statements
Year ended 31st March 2013**

1. Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Charities Act 2011, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions

The charity operates a defined contribution pension scheme in respect of certain employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability to the scheme other than for the payment of those contributions.

Incoming resources

Voluntary income is received by way of donations, legacies and gifts and is included in full in the Statement of Financial Activities when received. The value of services provided by volunteers has not been included.

Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from fees is recognised in the period to which the income relates.

Revenue grants are shown in the Statement of Financial Activities in the year in which they are receivable.

Grants are deferred to future periods only when this is specified by the funder or other preconditions of the fund are not yet met.

Investment income is recognised on a receivable basis.

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

**Notes to the Financial Statements
Year ended 31st March 2013**

1. Accounting Policies (*continued*)

Resources expended

Expenditure is recognised when a liability is incurred.

- Costs of generating funds are the direct and indirect costs of raising funds for charitable purposes, including applying for grants.
- Charitable activities include expenditure associated with the provision of services at the visitors' centres and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs either directly when identifiable, or on the basis of staff time spent on supporting and managing projects.

Funds structure

- Restricted funds are funds subject to specific restrictive conditions imposed by the donor or by the purpose of the contract / monies received. The purpose and use of restricted funds is set out in note 25 to the financial statements.
- General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objective of the charity.
- Designated funds are funds which have been allocated or designated for specific purposes by the charity out of unrestricted funds.

Fixed assets

All fixed assets are initially recorded at cost.

The charity operates a £1,000 capitalisation policy and items will not be capitalised under this de-minimis limit.

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:

Freehold land and buildings	-	4% straight line
Equipment	-	25% straight line

Stock

Stock of goods for resale is included at the lower of cost or net realisable value.

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

**Notes to the Financial Statements
Year ended 31st March 2013**

1. Accounting Policies (*continued*)

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Unrecoverable VAT

Certain activities of the charity are outside the scope of VAT and output tax does not apply in those cases. Input tax is therefore restricted on a partial exemption basis. The irrecoverable element of VAT is charged to the SOFA on an appropriate basis.

2. Legal status of the trust

The company is limited by guarantee and all members have agreed to contribute an amount not exceeding £10 in the event of a winding up. The number of guarantee members at the year end was 9 (2012: 7).

3. Related party transactions

No charity trustees' received any emoluments or payment for professional or other services during the year. Trustees were reimbursed expenses for travel expenditure, the value of these reimbursements are immaterial, with the maximum amount received by an individual trustee being £117 and the total reimbursed costs amounting to £234 during the year.

4. Voluntary Income

	Unrestricted Funds	Restricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£	£
Gtr. Manchester Probationary Trust (IAC)	-	35,960	35,960	29,980
IAC - ISS	-	40,428	40,428	-
NOMS – Telephone Help Line	-	100,760	100,760	97,125
GM Race Equality Co-ordinator	-	-	-	18,740
YOS – Family Support Workers	-	144,167	144,167	107,230
Social Enterprise - Capital	-	-	-	13,500
COPING	-	23,000	23,000	-
Theatre Projects	-	278	278	13,000
DFE Families and Partnerships	-	165,000	165,000	165,000
Routes to Roots	-	-	-	2,915
Wakefield – FCW	-	38,472	38,472	19,236
Family Engagement - Gangs	-	18,504	18,504	-
Manchester City Council (EGYV)	-	59,000	59,000	-
Other	8,189	-	8,189	-
	8,189	625,569	633,758	466,726

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
A COMPANY LIMITED BY GUARANTEE**

**Notes to the Financial Statements
Year ended 31st March 2013**

5. Activities for generating funds

The commercial trading income is from the rental of offices at the charities head office.

	Unrestricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£
Office rental income	<u>9,167</u>	<u>9,167</u>	<u>22,000</u>

6. Investment Income

The investment income arises from an interest bearing deposit account.

	Unrestricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£
Bank interest received	<u>826</u>	<u>826</u>	<u>1,051</u>

7. Incoming resources from charitable activities

The income was primarily from the operation of the visitors centres in prisons:

	Unrestricted Funds	Restricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£	£
Income from service level agreements and fees				
Visitors' centre operation	-	436,797	436,797	367,750
Family link work	5,750	101,607	107,357	148,713
Tea Bar Activities	464,754	-	464,754	453,716
2nd Chance	11,084	-	11,084	1,640
Other fees and projects	5,337	-	5,337	4,699
	<u>486,925</u>	<u>538,404</u>	<u>1,025,329</u>	<u>976,518</u>

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
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**Notes to the Financial Statements
Year ended 31st March 2013**

8. Analysis of charitable expenditure

The charity undertakes direct charitable activities only and does not make grant payments.

	Basis of allocation	Tea Bar Services £	Visitor centres £	Family Link Worker £	Fundraising £	Governance £	Total 2013 £	Total 2012 £
Tea bar supplies	Direct	333,394	-	-	-	-	333,394	359,249
Wages and salaries	Direct	57,085	337,303	203,100	-	-	597,488	467,248
Marketing costs	Direct	-	-	-	3,961	-	3,961	6,515
Board expenses	Direct	-	-	-	478	-	478	2,010
Audit fees	Direct	-	-	-	-	6,500	6,500	6,500
Legal and professional fees	Direct	-	-	-	-	3,452	3,452	4,410
Support costs	Note 9	-	96,065	594,646	35,000	2,500	728,211	625,196
Total		<u>390,479</u>	<u>433,368</u>	<u>797,746</u>	<u>39,439</u>	<u>12,452</u>	<u>1,673,484</u>	<u>1,471,128</u>

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9. Analysis of support costs

The charity allocates its support costs as shown in the table below and then further apportions those costs between the three charitable activities undertaken (see note 8). Support costs are allocated on a basis consistent with the use of resources. The basis of allocation for each support cost is outlined below.

Support cost	Basis of allocation	Allocated to			Total 2013 £	Total 2012 £
		Operation of prison visitor centres, family link work and tea bar facilities £	Fundraising costs of voluntary income £	Governance £		
Wages and salaries	No of projects	363,356	35,000	2,500	400,856	494,288
Premises costs	No of projects	12,330	-	-	12,330	16,475
General operating costs	No of projects	315,025	-	-	315,025	114,433
		<u>690,711</u>	<u>35,000</u>	<u>2,500</u>	<u>728,211</u>	<u>625,196</u>

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**Notes to the Financial Statements
Year ended 31st March 2013**

10. Staff costs and emoluments

Total staff costs were as follows:

	2013	2012
	£	£
Salaries and wages	962,615	861,578
Social security costs	62,089	38,026
Pension costs	363	1,203
	<u>1,025,067</u>	<u>900,807</u>

No employees had emoluments in excess of £60,000 (2012: £Nil).

11. Staff numbers

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2013	2012
	Number	Number
Chief Executive	1	1
Director	1	1
Service Development Manager	2	2
Service Co-ordinators	3	3
Administration	3	3
Project workers	37	29
	<u>47</u>	<u>39</u>

12. Pension Costs

The charity operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the statement of financial activities as they accrue. The charge for the year for the charity is £363 (2012: £1,203).

13. Net (outgoing)/incoming resources for the year

This is stated after charging:

	2013	2012
	£	£
Depreciation	13,102	13,102
Auditor's remuneration:		
External audit	6,500	6,500
Other services	1,500	3,275
	<u>19,102</u>	<u>22,877</u>

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14. Interest payable and similar charges

	2013	2012
	£	£
Bank charges and interest	233	377
	<u>233</u>	<u>377</u>

15. Transfers between funds

Funds were transferred from the unrestricted fund during the year to cover excess costs incurred on a number of restricted funds. See note 25.

16. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

17. Auditor's remuneration

The auditor's remuneration of £6,500 (2012: £6,500) related solely to the audit with additional work undertaken of £1,500 (2012: £3,275).

18. Tangible fixed assets

	Freehold land and buildings £	Equipment £	Total £
Cost			
At 1st April 2012	240,691	62,995	303,686
Additions	-	18,386	18,386
At 31st March 2013	<u>240,691</u>	<u>81,381</u>	<u>322,072</u>
Depreciation			
At 1st April 2012	58,914	52,571	111,485
Charge for the year	9,627	3,475	13,102
At 31st March 2013	<u>68,541</u>	<u>56,046</u>	<u>124,587</u>
Net book value			
At 31st March 2013	<u>172,150</u>	<u>25,335</u>	<u>197,485</u>
At 31st March 2012	<u>181,777</u>	<u>10,424</u>	<u>192,201</u>

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19. Stock

	2013 £	2012 £
Goods for resale	<u>14,529</u>	<u>10,529</u>

20. Debtors

	2013 £	2012 £
Trade debtors	137,704	117,993
Prepayments	8,376	10,466
Accrued income	23,000	25,760
Other debtors	2,502	81
	<u>171,582</u>	<u>154,300</u>

21. Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	43,831	42,434
Taxes and social security costs	21,220	20,860
Accruals	22,533	23,372
Deferred income	18,000	17,980
Other creditors	1,123	1,874
	<u>106,707</u>	<u>106,520</u>

22. APB ethical standards

In common with many other charities of our size we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

23. Commitments under operating leases

At 31st March 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	Other Equipment	
	2013 £	2012 £
Operating leases which expire: Within 2 to 5 years	<u>7,817</u>	<u>6,360</u>

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24. Analysis of net assets between funds

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	197,485	-	-	197,485
Cash at bank and in hand	238,873	82,500	41,249	362,622
Other net current liabilities	79,404	-	-	79,404
	<u>515,762</u>	<u>82,500</u>	<u>41,249</u>	<u>639,511</u>

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**Notes to the Financial Statements
Year ended 31st March 2013**

25. Analysis of charitable funds

Analysis of unrestricted fund movements

	Balance at 1 April 2012 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2013 £
General fund	436,453	505,107	(404,957)	(20,841)	515,762
Designated fund:					
Building Maintenance / Security	15,000	-	(7,500)	7,500	15,000
IT Upgrade	10,000	-	(18,386)	8,386	-
HR & Consultancy	50,000	-	(10,000)	(15,000)	25,000
Governance / Trustee Recruitment & Training	7,500	-	-	-	7,500
Staff Development	10,000	-	-	-	10,000
2nd Chance Development	30,000	-	(15,320)	320	15,000
Quality Standards	-	-	-	5,000	5,000
Pension Auto-Enrolment Preparation	-	-	-	5,000	5,000
Total	<u>558,953</u>	<u>505,107</u>	<u>(456,163)</u>	<u>(9,635)</u>	<u>598,262</u>

Name of fund	Description, nature and purposes of the fund
Building Maintenance / Security	To provide for general building upkeep and repair.
IT Upgrade	To provide an opportunity to respond to growth and development requirements in relation to IT performance.
HR & Consultancy	To provide for any redundancy/associated costs in regard to the re-structure of the POPS Management team.
Governance / Trustee Recruitment and Training	To provide for a robust governance board including recruitment and training of new trustees.
Staff Development	To provide for training and development of management roles created by the Senior Management restructure process.
2nd Chance Development	Improve the commercial scope of 2 nd chance activity
Quality Standards	To adopt either IIP or ISO quality standard
Pension Auto-Enrolment Preparation	Preparation for auto enrolment of workforce into workplace pension scheme.

**PARTNERS OF PRISONERS AND FAMILIES SUPPORT GROUP
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**Notes to the Financial Statements
Year ended 31st March 2013**

25. Analysis of charitable funds (continued)

Analysis of restricted fund movements

	Fund at 31 March 2012	Incoming resources	Resources expended	Transfers	Fund at 31 March 2013
	£	£	£	£	£
GMPT – IAC	-	35,960	(35,960)	-	-
NOMS – Telephone Help Line	-	100,760	(100,760)	-	-
YOS – Family Support Workers	17,122	144,167	(148,853)	-	12,436
DAAST Manchester	54,204	101,607	(130,427)	-	25,384
COPING	4,244	23,000	(27,244)	-	-
Wakefield – FCW	6,492	38,472	(44,964)	-	-
DFE Families & Partnerships	-	165,000	(165,000)	-	-
Theatre Project	2,900	278	(12,813)	9,635	-
IAC - ISS	-	40,428	(40,428)	-	-
Family Engagement (Gangs)	-	18,504	(18,504)	-	-
Manchester City Council (EGYV)	-	59,000	(59,000)	-	-
Visitor centres	-	436,797	(433,368)	-	3,429
Total	84,962	1,163,973	(1,217,321)	9,635	41,249

Name of fund	Description, nature and purposes of the fund
GMPT – IAC	Family and Partner support service for Greater Manchester IAC pilot.
NOMS Telephone Helpline	To provide national telephone advice to offenders’ families.
YOS – Family Support Worker	To provide family support to families of young offenders in the community.
DAAST Manchester	Provision of Family Link Worker Services at HMP Manchester.
COPING	To identify families and obtain information as part of Pan-European research.
Wakefield – FCW	To provide family support at HMP Wakefield.
DFE Families & Partnerships	To provide volunteers at Courts.
Theatre Project	Drama Projects at HMP Manchester and HMP Dovegate.
IAC - ISS	Family and Partner support service for Manchester Youth Offending Service
Family Engagement (Gangs)	GMPT – Family voice report on gang and youth violence
Manchester City Council (EGYV)	To provide capacity building to professionals working in Wythenshawe on ending gang and youth violence initiatives
Visitor centres	Funds for the provision of services at visitor centres