

Company registration number 3067385
Charity registration number 1048152

Partners of Prisoners and Families Support Group

Financial Statements

for the year ended 31st March 2004

Partners of Prisoners and Families Support Group

Legal and administrative details as at 31 March 2004

Status

A company limited by guarantee, first registered on 10 October 1994, number 3067385.
Registered as a charity on 20 July 1995, number 1048152.

Registered Office

Valentine House
1079 Rochdale Road
Blackley
Manchester
M9 8AJ

Trustees/directors

Phil Tarbuck (Chair)
Raph Hill
Bill Ashberry
Yasmin Aslam
Tony Gordon
Marcus Johnstone
Marc Cole
Harmesh Jassal
Carole Truman

Company Secretary

Marcus Johnstone

Principal staff

Farida Anderson MBE
Diane Curry
Linda Rigby

Chief Executive

Auditors

Slade & Cooper
6 Mount Street
Manchester
M2 5NS

Bankers

Unity Trust Bank plc
Ninebrindleyplace
4 Oozells Square
Birmingham
B1 2HB

Partners of Prisoners and Families Support Group

Report of the Directors for the year ended 31 March 2004

The directors present their report and the audited financial statements for the year ending 31st March 2003. The financial statements have been prepared in accordance with the historic cost basis of accounting, the Statement of Recommended Practice - Accounting and Reporting by Charities, and the Companies Act 1985.

Objects and principal activities

The charity's objects are: (i) 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 any penal or correctional establishment or through any means whatever and the families of such persons in such ways as the Directors think fit, and (ii) to further and 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.

Strategy

Recognising the major changes in the Criminal Justice System, Partners of Prisoners and Families Support group is aiming to continue as a front runner and major service provider to prisoners and their families. POPS has always been a proactive organisation and while our central theme has been innovation we have also undertaken a sensible approach to growth incorporating change with stability.

Policies & organisation of the charity

Board of Trustees

An increase in the number of trustees has been the result of a plan to widen the experience available to discharge the responsibilities of the Board. Further recruitment may follow after the new recruits have been able to deepen their knowledge of the operations of the charity.

As well as periodic Board meetings, trustees attend committee meetings which enable more detailed discussion of topics and advice to management. These committees deal with financial and prudential management, personnel matters and resource management.

Risk management

The charity now has a more diversified range of sources for its funding. A review of grants is planned to spread the work on negotiation and sourcing of grants.

Internal risks are minimized by the implementation and audit of procedures incorporating systems of management control. The new committee of trustees dealing with prudential management will oversee an ongoing review of all financial procedures.

Reserves policy

The policy is for the charity to maintain free reserves of between 3 and 6 months of the resources expended. At the end of the financial year, the free reserves of £129813 had marginally fallen outside those parameters. This variance is the result of the acquisition of a head office building early in the financial year and the significant increase in expenditure responding to profitable opportunities that arose during the year.

Investment Policy

Following a review of the holdings on deposit with a leading bank, a recommendation is being prepared for the Trustees.

Partners of Prisoners and Families Support Group

Report of the Directors For the year ended 31 March 2004

Review of activities

POPS has developed from a grass roots community based project into a well-managed and well-respected voluntary sector organisation.

POPS have experienced a growth in its staff team and this growth has occurred because we are good at what we do and can take advantage of opportunities that arise. During the last year we have taken over the management of two HM Prison visitor centres in the North West. We have an excellent reputation, dedicated staff and strong links with other external agencies; both locally, regionally and nationally. In addition we have recently been awarded Investors in People status.

Commentary on the financial statements

The major transaction of the year has been the acquisition of premises for the charity. This has coincided with an increase in activities necessitating new expenditure commitments resulting in a 52% increase in expenditure. The increase is mainly associated with contracted work at visitor centres and will enable diversification of funding sources and building of reserves.

In order to provide adequate financial management of the increased activity, the charity acquired a more comprehensive accounting and reporting system for installation for the start of the new financial year.

Future developments

Our vision is to influence the statutory sector agencies (NOMS, Education and Health) to incorporate and respond to the needs of prisoners' families and Black offenders. This work is to be carried out incorporating the Decency agenda working via cohesive processes and procedures. POPS will strive to raise the awareness of promoting the benefits of working and promoting services to marginalized groups of people in order to promote a safer society to live in.

With the increasing activity involved in running tea bars at prison visitor centres, we will be setting up a subsidiary trading company to run the trading operation.

Changes in Fixed Assets

Details of movements in the charity's fixed assets are set out in note 8 to the accounts.

Trustees (directors)

The trustees who served during the year, and up to the date the report was approved were as follows:

Phil Tarbuck

Yasmin Aslam

Raph Hill

Tony Gordon

Bill Ashberry

Marcus Johnstone

Stuart Featherstone (resigned September 2003 at AGM)

Marc Cole (appointed 7/6/04)

Harmesh Jassal (appointed 7/6/04)

Carole Truman (appointed 19/4/04)

The directors retire at each Annual General Meeting, and a new board is elected. The retiring directors may stand for re-appointment.

Partners of Prisoners and Families Support Group

**Report of the Directors
For the year ended 31 March 2004**

Statement of Directors' responsibilities

Company law requires the directors 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 the income and expenditure of the charitable company for that period. In preparing the accounts the directors are required to:

- * select suitable accounting policies and then apply them consistently
- * make judgements and estimates that are reasonable and prudent.
- * state whether applicable 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 business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company status

The company is limited by guarantee, and all members have agreed to contribute the amount not exceeding £10 in the event of a winding up. The number of guarantee members at the year end was eleven (2003: seven).

Auditors

A resolution to re-appoint the auditors, Slade & Cooper, will be proposed at the Annual General Meeting.

By Order of the Committee

..... Marcus Johnstone, Secretary

..... Date

Independent Auditor's Report
To the members of Partners of Prisoners and Families Support Group
for the year ended 31 March 2004

We have audited the financial statements of Partners of Prisoners and Families Support Group for the year ended 31 March 2004, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of management committee and auditors

As described in the Statement of Management Committee Responsibilities the charitable company's management committee are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Management Committee's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's affairs as at 31 March 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Slade & Cooper
30/9/04

Slade & Cooper
Accountants
Registered Auditors
6 Mount Street
Manchester M2 5NS

Partners of Prisoners and Families Support Group
Statement of financial activities and income and expenditure account
for the year ended 31 March 2004

	Note	Restricted funds £	Unrestricted funds £	2004 £	2003 £
Incoming resources					
<i>Activities to further the charity's objects</i>	2				
Grants and donations		71,631	100,461	172,092	185,328
Fees and other income		-	342,687	342,687	206,788
Sales		-	74,885	74,885	47,558
<i>Activities for generating funds</i>					
Fundraising events		-	9,810	9,810	-
Bank interest		-	3,505	3,505	4,661
Total incoming resources		71,631	531,348	602,979	444,335
Resources expended					
<i>Cost of generating funds</i>	3	-	41,110	41,110	13,343
<i>Charitable expenditure</i>					
Service provision		24,960	318,714	343,674	130,706
Support costs		-	142,684	142,684	188,657
Management and administration		-	19,975	19,975	26,297
Total resources expended		24,960	522,483	547,443	359,003
Net incoming resources for the year	5	46,671	8,865	55,536	85,332
Transfer between funds		(2,944)	2,944	-	-
Net movement in funds		43,727	11,809	55,536	85,332
Funds at 31 March 2003		11,044	193,535	204,579	119,247
Funds at 31 March 2004		£ 54,771	£ 205,344	£ 260,115	£ 204,579

The charity has made material net acquisitions of fixed assets in the year:

Net incoming resources for the year	55,536
Resources used for net acquisitions of fixed assets for charity use	191,250
Net movement in funds available for future activities	£ (135,714)


All of the charity's operations are classed as continuing. Movements on reserves and all recognised surpluses or deficits are shown above.

Partners of Prisoners and Families Support Group

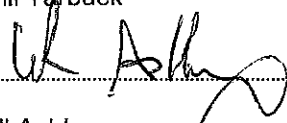
**Balance Sheet
as at 31 March 2004**

	Note	2004		2003	
		£	£	£	£
Fixed assets	8		198,876		7,626
Current assets					
Stock	9	581		593	
Debtors	10	21,748		1,600	
Cash at bank and in hand		185,001		228,760	
			<hr/>		<hr/>
		207,330		230,953	
Creditors: amounts falling due in less than one year	11	(22,746)		(34,000)	
			<hr/>		<hr/>
Net current assets			184,584		196,953
			<hr/>		<hr/>
Total assets less current liabilities			383,460		204,579
Creditors: amounts falling due in more than one year	12		(123,345)		-
			<hr/>		<hr/>
Total assets less current liabilities			£ 260,115		£ 204,579
			<hr/> <hr/>		<hr/> <hr/>
Reserves					
Unrestricted funds					
Designated funds	13	18,662		67,346	
General funds		186,682		126,189	
			<hr/>		<hr/>
Subtotal			205,344		193,535
Restricted funds	14		54,771		11,044
			<hr/>		<hr/>
			£ 260,115		£ 204,579
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Directors on 20/9/04 and signed on their behalf by:


.....

Phil Tarbuck


.....

Bill Ashberry

Partners of Prisoners and Families Support Group

Notes to the accounts for the year ended 31 March 2004

1 Accounting policies

- a) The financial statements have been prepared under the historic cost convention, the Companies Act 1985, the Financial Reporting Standard for Smaller Entities (effective June 2002), and follow the recommendations in Statement of Recommended Practice: Accounting and Reporting for Charities (SORP) issued October 2000.
- b) 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.
- c) 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.
- d) Cost of generating funds are the direct and indirect costs of raising funds for charitable purposes, including applying for grants.
- e) Support costs represents an apportionment of core staff time spent supporting and managing projects.
- f) Management and administration costs of the charity relate to the central costs of management including the costs of meetings, audit and statutory compliance and an apportionment of staff time spent on management and administration of the charitable company.
- g) Staff costs and overheads expenses are allocated to activities either directly when identifiable or on the basis of staff time spent on those activities.
- h) 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 under the scheme other than for the payment of those contributions. Outstanding contributions at the year end were £1,977 (2003: nil).
- i) Fixed assets are included at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life, at the following rates:
- | | |
|--------------------|----------------------|
| Computer equipment | 25% reducing balance |
| Furniture | 25% reducing balance |
- Equipment purchased costing less than £500 has not been capitalised.
- j) Stocks of goods for resale are stated at the lower of cost and net realisable value.
- k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remains with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.
- l) The charity has taken advantage of the exemption in Financial Reporting Standard 1 from preparing a Cash Flow Statement on the grounds that it is a small company.
- m) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.
- n) Unrestricted funds are donations and other income received or generated for the charitable purposes.
- o) Designated funds are unrestricted funds earmarked by the directors for specific purposes.

Partners of Prisoners and Families Support Group

Notes to the accounts

for the year ended 31 March 2004 (continued)

2 Incoming resources

	Restricted £	Unrestricted £	Total 2004 £	Total 2003 £
Grants and donations				
Connexions			-	10,000
Greater Manchester Probation Service	45,000	5,976	50,976	-
Tudor Trust	15,000	-	15,000	15,000
Manchester City Council	6,631	-	6,631	-
Lankelly Foundation	-	25,000	25,000	25,000
Comic Relief	-	15,000	15,000	30,000
Nationwide Foundation	5,000	-	5,000	5,000
Allen Lane Foundation	-	5,000	5,000	10,000
Lloyds TSB Foundation	-	-	-	35,000
Hilden Charitable trust	-	5,000	5,000	10,000
Esmee Fairburn Foundation	-	-	-	60,000
FPFSG	-	14,410	14,410	12,443
Other	-	75	75	2,885
	<hr/> 71,631	<hr/> 70,461	<hr/> 142,092	<hr/> 215,328
Deferred grants (Esmee Fairburn)	-	30,000	30,000	(30,000)
	<hr/> 71,631	<hr/> 100,461	<hr/> 172,092	<hr/> 185,328
Fees and other income				
Service Level Agreements and fees	-	339,957	339,957	202,804
Other income	-	2,730	2,730	3,984
	<hr/> -	<hr/> 342,687	<hr/> 342,687	<hr/> 206,788
Sales (tea bars)	-	74,885	74,885	47,558
Interest received	-	3,505	3,505	4,661
Total incoming resources	<hr/> <hr/> £ 71,631	<hr/> <hr/> £ 521,538	<hr/> <hr/> £ 593,169	<hr/> <hr/> £ 444,335

Partners of Prisoners and Families Support Group

Notes to the accounts

for the year ended 31 March 2004 (continued)

3 Total resources expended

	Service provision £	Support costs £	Fundraising £	Management and administration £	Total 2004 £	Total 2003 £
Goods for resale	41,711	-	-	-	41,711	25,148
Staff costs	235,227	104,001	36,250	16,567	392,045	239,528
Training and recruitment	1,788	1,192	-	-	2,980	10,855
Premises	11,189	7,460	-	-	18,649	14,279
Office and communications	20,217	13,477	-	-	33,694	31,228
Legal and professional	1,262	841	-	3,408	5,511	2,115
Miscellaneous	7,091	4,961	-	-	12,052	5,932
Consultants and project costs	9,063	-	-	-	9,063	10,584
Prison, conference, and travel expenses	9,926	6,618	-	-	16,544	16,793
Fundraising events	-	-	4,860	-	4,860	-
Depreciation	3,586	2,391	-	-	5,977	2,541
Interest payable	2,614	1,743	-	-	4,357	-
Total resources expended	£ 343,674	£ 142,684	£ 41,110	£ 19,975	£ 547,443	£ 359,003
<i>Total resources expended 2003</i>	<i>£ 130,706</i>	<i>£ 188,657</i>	<i>£ 13,343</i>	<i>£ 26,297</i>	<i>£ 359,003</i>	

Partners of Prisoners and Families Support Group

**Notes to the accounts
for the year ended 31 March 2004 (continued)**

4 Corporation tax

The company is a registered charity, number 1048152, and no provision has been made for corporation tax.

5 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2004 £	2003 £
Auditors' remuneration	3,408	2,115
Depreciation	5,977	2,541
	<hr/> <hr/>	<hr/> <hr/>
Auditors' remuneration comprised:		
Audit	1,500	915
Accountancy	1,908	1,200
	<hr/>	<hr/>
	£ 3,408	£ 2,115
	<hr/> <hr/>	<hr/> <hr/>

6 Staff costs

Staff costs during the year were as follows:

	2004 £	2003 £
Wages and salaries	352,502	220,070
Social security costs	30,535	16,704
Pension costs	6,061	2,425
Agency staff	2,947	329
	<hr/>	<hr/>
	£ 392,045	£ 239,528
	<hr/> <hr/>	<hr/> <hr/>

The average weekly number of employees during the year was as follows:

Chief Executive	1	1
Director	1	1
Service Development Manager	1	-
Personnel and Finance Officer	1	1
Project workers	12	7
	<hr/>	<hr/>
Total	16	10

The number of employees earning over £50,000 per annum excluding pension contributions was nil (2003: nil).

Partners of Prisoners and Families Support Group

**Notes to the accounts
for the year ended 31 March 2004 (continued)**

7 Directors' (trustees') remuneration and expenses

Neither the directors nor any persons connected with them received any remuneration or reimbursed expenses during the year.

8 Fixed assets: tangible assets

	Freehold land and buildings £	Equipment £	Total £
Cost			
At 1 April 2003	-	22,111	22,111
Additions	188,483	8,744	197,227
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2004	£ 188,483	£ 30,855	£ 219,338
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2003	-	14,485	14,485
Charge for the year	1,885	4,092	5,977
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
at 31 March 2004	£ 1,885	£ 18,577	£ 20,462
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2004	£ 186,598	£ 12,278	£ 198,876
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2003	£ -	£ 7,626	£ 7,626
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
9 Stock			
	2004 £	2003 £	
Goods for resale	£ 581	£ 593	
	<hr/> <hr/>	<hr/> <hr/>	

Partners of Prisoners and Families Support Group

**Notes to the accounts
for the year ended 31 March 2004 (continued)**

10 Debtors

	2004 £	2003 £
Accrued fees	17,792	-
Prepayments and other debtors	3,956	1,600
	<hr/>	<hr/>
	£ 21,748	£ 1,600
	<hr/> <hr/>	<hr/> <hr/>

11 Creditors: amounts falling due in less than one year

	2004 £	2003 £
Mortgage (see note 12)	8,008	-
Deferred grant income	-	30,000
Accruals	14,738	4,000
	<hr/>	<hr/>
	£ 22,746	£ 34,000
	<hr/> <hr/>	<hr/> <hr/>

12 Creditors: amounts falling due in more than one year

	2004 £	2003 £
Mortgage	£ 123,345	£ -
	<hr/> <hr/>	<hr/> <hr/>

The mortgage loan is secured on the freehold property of the charity and represents 70% of the net book value of the property. The loan is repayable as follows:

Amounts falling due in less than one year	8,008	-
Amounts falling due between one and two years	8,576	-
Amounts falling due between two and five years	29,142	-
Amounts falling due in over five years	85,626	-
	<hr/>	<hr/>
	£ 131,352	£ -
	<hr/> <hr/>	<hr/> <hr/>

13 Designated funds

	<i>As at 1 April 2003</i> £	New designations £	Released funds £	Transfers £	<i>As at 31 March 2004</i> £
Contingency fund	£ 67,346	-	(48,684)	-	£ 18,662
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The directors have established the fund to cover significant unforeseen costs that may arise.

Partners of Prisoners and Families Support Group

**Notes to the accounts
for the year ended 31 March 2004 (continued)**

14 Restricted funds

	<i>As at 1 April 2003</i>	Incoming resources	Outgoing resources	Transfers	<i>As at 31 March 2004</i>
	£	£	£	£	£
Capital	2,944	-	-	(2,944)	-
Get Connected	3,100	-	(3,100)	-	-
Nationwide Foundation (a)	5,000	5,000	(3,229)	-	6,771
Tudor Trust	-	15,000	(15,000)	-	-
Black Voices (b)	-	45,000	-	-	45,000
Gun Crime (c)	-	6,631	(3,631)	-	3,000
	<hr/> £ 11,044	<hr/> £ 71,631	<hr/> £ (24,960)	<hr/> £ (2,944)	<hr/> £ 54,771
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Restricted funds represent monies to be used for the following specific purposes

- a Grant for families work in prisons (training).
- b Grant to produce diversity material.
- c Grant to produce an educational video.

15 Analysis of net assets between funds

Fund balances at 31 March 2004 are represented by:

	Restricted funds	Unrestricted funds	Total
	£	£	£
Fixed assets	-	198,876	198,876
Current assets	54,771	152,559	207,330
Creditors: amounts falling due in less than one year	-	(22,746)	(22,746)
Creditors: amounts falling due in more than one year	-	(123,345)	(123,345)
	<hr/> £ 54,771	<hr/> £ 205,344	<hr/> £ 260,115
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Fund balances at 31 March 2003 are represented by:

	Restricted funds	Unrestricted funds	Total
	£	£	£
Fixed assets	2,944	4,682	7,626
Net current assets	8,100	188,853	196,953
	<hr/> £ 11,044	<hr/> £ 193,535	<hr/> £ 204,579
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Partners of Prisoners and Families Support Group

**Notes to the accounts
for the year ended 31 March 2004 (continued)**

16 Lease commitments

The charity had the following annual commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2004	2003	2004	2003
	£	£	£	£
Leases expiring in:				
One year	-	-	1,520	906
Two to five years	-	-	680	1,462
	<u> </u>	<u> </u>	<u> </u>	<u> </u>