

PRISON RADIO ASSOCIATION

Registered Charity No. 1114760

FINANCIAL STATEMENTS TO

31 DECEMBER 2009



**PRISON RADIO ASSOCIATION
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FOR THE YEAR ENDED 31 DECEMBER 2009**

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**PRISON RADIO ASSOCIATION
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2009**

Charity name	Prison Radio Association
Company registration number	5571624
Registered address	2-6 Cannon Street London EC4M 6YH
Board of Trustees	
Chair of Trustees	Roma Hooper
Trustees	Helen Matthews Paul Randall Steve Orchard Daniel Owen
Secretary	Mark Robinson
Legal Advisers	Bates Wells and Braithwaite 2-4 Cannon Street London EC4M 6YH
Bankers	Barclays Bank Plc 71 High Street Staines Middlesex TW18 4PS
Accountants	Chater Allan LLP Beech House 4A Newmarket Road Cambridge CB5 8DT

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 22nd September, 2005 and registered as a charity on 20th June, 2006. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years. The Management Committee seeks to ensure that the needs of offenders are appropriately reflected through the diversity of the trustee body. Regular reviews are undertaken to ensure that the required skills and diversity to support the charity are in place.

Trustee Induction and Training

Each trustee is provided with information regarding the role and responsibilities of a trustee (via Bates Wells and Braithwaite brochure). Each trustee is introduced to the work of the charity via visits to specific prison radio stations and an induction by the chair and Chief Executive. A small pack containing the Memorandum and Articles of Association is provided, the charity's business plan plus budgets and three year forecast, together with other relevant information, including minutes of trustees meetings.

In an effort to maintain the broad skill mix, a review is regularly undertaken to ensure that should a member resign, an appropriate replacement is found. Two new trustees joined the management committee in 2008 following the resignation of a trustee in 2006 and two in 2007. The trustees actively review, on a regular basis, the major risks the charity faces and where appropriate, systems and procedures have been established to manage the risks the charity faces.

Organisational Structure

The Prison Radio Association has a management committee of six members who meet bi-monthly and are responsible for the strategic direction and policy of the charity. At present the Committee has members from a variety of professional backgrounds relevant to the work of the charity. A representative from the charity's legal advisors, Bates Wells and Braithwaite, is invited to each meeting. Day-to-day administration is delegated to the Chief Executive who is responsible for ensuring that the charity delivers the services specified.

Risk Management

Health and Safety The charity ensures that all staff attend appropriate training courses, including security and key training in line with Her Majesty's Prison Service (HMPS) policy guidelines.

Insurance appropriate insurances are in place including employers' liability and professional and trustee indemnity. Due to the specialist nature of the charity's activities separate executive risks policy includes an extension to cover libel and slander.

Related Parties

The charity works closely with its principal partner, the National Offender Management Service (NOMS) to ensure its objectives are met.

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

Achievements and Performance

The main areas of charitable activity are the provision of support, guidance and expertise to existing prison radio projects and the provision of advice to prisons interested in setting up prison radio projects

In setting their plans for the year, PRA has had due regard to the public benefit guidance published by the Charity Commission

Over the period January 2009 to December 2009 the PRA has continued to build a respected track record in the field of offender learning providing support to numerous prison radio projects across the prison estate

The PRA's own flagship radio project (Electric Radio Brixton) was featured as a case study in the following report from the Centre for Social Justice, Breakthrough Britain Locked Up Potential – A strategy for reforming prisons and rehabilitating prisoners published March 2009

The station was also recognised at the Sony Radio Academy Awards ceremony, held in May, where it was awarded two Bronze Awards in the Interview Award and Speech Award categories and two coveted Sony Gold Awards in the Listener Participation Award and Community Award categories

In September 2009, the PRA won a significant, international award, the International Visual Communications Association's Clarion Award (which promote, 'Social Inclusion, Corporate Social Responsibility, Sustainable Development and Ethical Debate') The PRA won the Radio Station category

Wider Prison Estate

Over the last 12 months the charity has advised approximately 40 prisons on prison radio and radio production training issues and hosted its second Annual Conference and Awards Ceremony with a 20% increase in delegate attendance on the previous year. The event was again held at Warwick Conference Centre and feedback from the conference was excellent

In late 2009 the PRA also began work on the development of a sister project to ERB at HMP Styal in Cheshire

National Prison Radio Service

In May 2009 the PRA signed a three-year agreement with the Ministry of Justice to develop the National Prison Radio Service. The charity believes that a national radio station for prisoners can support NOMS in its aim to reduce reoffending. The developing service broadcasts tailored programming that aims to address the high levels of social disadvantage experienced by prisoners (the NOMS Seven Pathways) to support the rehabilitation process

Financial Review

The charity has worked hard to achieve a sound financial position in accordance with its initial fundraising strategy and business plan. This was reviewed in the third quarter of 2009. To date the Management Committee is encouraged by the charity's financial situation and continued interest shown by funders

In the year there was income totalling £247,546 and expenditure of £285,920, resulting in a deficit of £38,374

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

Investment and Reserves Policy

As yet the charity does not hold sufficient funds required to develop investments

The Management Committee has examined the charity's requirements for reserves over the period of the report in light of the main risks of the organisation

It has established a policy whereby the charity should hold sufficient unrestricted funds (not committed or invested in tangible fixed assets) required for between three and six months normal expenditure. At the end of the year, 3 months expenditure was approximately £70k, with unrestricted reserves being approximately £16k

In the short term the Management Committee has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise that necessitate this action

Future Plans

The charity plans to continue activities outlined above in the forthcoming years. It aims to build on the success of ERB as the forerunner to the National Prison Radio Service, in partnership with the National Offender Management Service. The PRA aims to develop a set of Editorial Guidelines and a compliance procedure to safeguard the production of content broadcast

The PRA remains committed to developing a professional production house and in September 2009 joined the BBC's Register of Independent Production Companies. It aims to take on commissions from a wide range of organisations in order to a) support the marketing of key messages and b) provide a sustainable income stream

The PRA also remains committed to developing its online presence. The charity's web presence will allow the development of a prison radio tool-kit and will offer best practice advice on matters relating to prison radio and radio training delivery techniques

The charity is committed to delivering its third Annual Conference in late 2010. The event's primary purpose will be to celebrate prison radio and to recognise and share best practice within the sector

The charity has been building a respected profile within offender learning circles and the wider media. This is an important and on-going part of its work and it will continue to build its PR profile over the next few years

In order to evaluate its activities, monitor progress and judge success, the charity commissioned The Hallam Centre for Community Justice (Sheffield Hallam University) to carry out an in-depth, independent evaluation of its work over a three-year period. The evaluation will make recommendations to the PRA to support strategic organisational objectives. The final report was completed in May 2010

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

Responsibilities of the Management Committee (Directors)

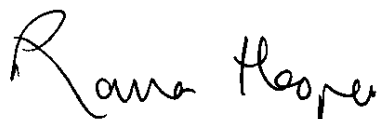
The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board of Trustees



Roma Hooper
Chairman
Approved by the board

18/9/2010

**PRISON RADIO ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	Unrestricted Funds 2009 £	Restricted Funds 2009 £	Total 12 months to December 2009 £	Total 12 months to December 2008 £
INCOMING RESOURCES	2				
Incoming resources from generated funds.					
Voluntary Income		130,662	88,778	219,440	202,962
Investment Income		64	-	64	1,239
Activities for Generating Funds		100	4,109	4,209	1,800
Incoming resources from charitable activities		-	23,833	23,833	22,285
Total Incoming Resources		130,826	116,720	247,546	228,286
RESOURCES EXPENDED	3				
Costs of generating funds:					
Fundraising and publicity		5,688	27,203	32,891	30,567
Charitable Expenditure.					
Charitable activities		155,539	45,196	200,735	186,812
Governance costs	4	25,091	27,203	52,294	45,141
Total Resources Expended		186,318	99,602	285,920	262,520
Net (outgoing)/incoming resources before transfers		(55,492)	17,118	(38,374)	(34,234)
Transfer from Restricted Funds		-	-	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		(55,492)	17,118	(38,374)	(34,234)
Net movement in funds		(55,492)	17,118	(38,374)	(34,234)
Total funds at 1 January 2009		74,469	20,683	95,152	129,386
Total funds at 31 December 2009		18,977	37,801	56,778	95,152

The attached notes form part of these accounts

**PRISON RADIO ASSOCIATION
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009	2008
		£	£
Fixed assets:	6	16,653	9,935
Current assets:			
Debtors	7	16,163	2,061
Cash at bank		<u>150,171</u>	<u>90,995</u>
		166,334	93,056
Current liabilities:			
Creditors amounts falling due within one year	8	<u>126,209</u>	<u>7,838</u>
Net current assets		40,125	85,217
Net assets		<u>56,778</u>	<u>95,152</u>
Funds			
Restricted funds:	9	37,801	20,683
Unrestricted funds		18,977	74,469
Total funds		<u>56,778</u>	<u>95,152</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2009. The trustees have not required the company to obtain an audit of its financial statements for the year ended 31 December 2009 in accordance with Section 476 of the Companies Act 2006.

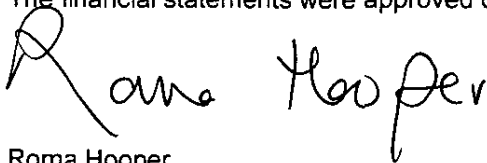
The trustees acknowledge their responsibilities for

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved on 18/9/10 and signed by



Roma Hooper
Chairman

**PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005)

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subject to restrictions on their expenditure imposed by the donor.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income.

(d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any Vat, which cannot be fully recovered and is reported as part of the expenditure to which it relates. Costs of generating funds comprises the costs associated with attracting voluntary income. Charitable expenditure comprises the costs incurred by the charity in the delivery of its objectives. Governance costs comprise expenditure incurred in running the charitable company. Any apportionment between costs is done on a time basis.

(e) Fixed assets and capital expenditure

These are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset as follows, Computer and radio equipment over 3 years straight line.

(f) Taxation

The company is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1998.

PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

2. Incoming Resources from Generated Funds

	Unrestricted Funds	Restricted Funds	2009	2008
	2009	2009	2009	2008
	£	£	£	£
2a Voluntary Income				
Donations	110,662	53,778	164,440	82,962
Grants	20,000	35,000	55,000	120,000
	<u>130,662</u>	<u>88,778</u>	<u>219,440</u>	<u>202,962</u>
2b Investment Income				
Bank interest received	64	-	64	1,239
2c Activities for Generating Funds				
Conference	-	2,609	2,609	1,700
Team building	-	1,500	1,500	-
Other income	100	-	100	100
	<u>100</u>	<u>4,109</u>	<u>4,209</u>	<u>1,800</u>
2d Charitable Activities				
Brixton	-	23,333	23,333	17,285
South Birmingham College	-	500	500	5,000
	<u>-</u>	<u>23,833</u>	<u>23,833</u>	<u>22,285</u>
Total	<u>130,826</u>	<u>116,720</u>	<u>247,546</u>	<u>228,286</u>

3 Total Resources Expended

	Unrestricted Funds	Restricted Funds	2009	2008
	2009	2009	2009	2008
	£	£	£	£
Staff Costs	97,784	77,363	175,147	159,804
Website	851	-	851	560
Communications	6,315	-	6,315	3,268
Printing and Stationery	1,192	-	1,192	2,247
Office Costs	12,665	-	12,666	12,302
Travel Costs	8,305	-	8,305	7,851
Consultancy	2,875	-	2,875	-
Satellite Services	20,824	1,832	22,656	18,516
Training and Conference	11,106	5,000	16,106	15,959
Radio Setup Assistance	1,890	8,000	9,890	22,336
Programme Expenses	-	7,407	7,408	8,000
Insurance	3,621	-	3,621	1,571
Depreciation	4,090	-	4,090	5,783
Loss on disposal	4,270	-	4,270	221
Accountancy	2,490	-	2,490	2,358
Legal and Professional	435	-	435	462
Small Equipment	-	-	-	-
Other Costs	7,605	-	7,605	1,282
	<u>186,318</u>	<u>99,602</u>	<u>285,920</u>	<u>262,520</u>

PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

4 Governance costs

	Unrestricted Funds 2009 £	Restricted Funds 2009 £	2009 £	2008 £
Staff Costs	-	27,203	27,203	25,226
Office Expenses	12,665	-	12,665	12,302
Insurance	3,621	-	3,621	1,571
Communications	6,315	-	6,315	3,684
Accountancy	2,490	-	2,490	2,358
	<u>25,091</u>	<u>27,203</u>	<u>52,294</u>	<u>45,141</u>

5 Staff Costs and Numbers

The charity employed an average of 4 members of staff during the accounting period (2008 - 5)
The costs were

	2009 £	2008 £
Salaries	156,238	142,639
Social Security Costs	18,909	17,165
	<u>175,147</u>	<u>159,804</u>

No employees earned over £60,000 per annum

The trustees received no remuneration in the year (2008 £nil)

The trustees incurred Trustees' Indemnity Insurance expenditure of £523 (2008 £nil)

6 Tangible Fixed Assets

	Computer and Radio Equipment £	Total 1
Cost at 1 January 2009	17,348	17,348
Additions	15,078	15,078
Disposals	(8,848)	(8,848)
Cost at 31 December 2009	<u>23,578</u>	<u>23,578</u>
Depreciation at 1 January 2009	7,413	7,413
Charge for the year	4,090	4,090
Eliminated on disposal	(4,578)	(4,578)
Depreciation at 31 December 2009	<u>6,925</u>	<u>6,925</u>
Net Book Value at 31 December 2009	<u>16,653</u>	<u>16,653</u>
Net Book Value at 31 December 2008	<u>9,935</u>	<u>77,656</u>

Fixed assets are all used for charitable purposes

**PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

7. Debtors

	2009	2008
	£	£
Trade Debtors	5,211	1,692
Prepayments and Accrued Income	10,952	369
	<u>16,163</u>	<u>2,061</u>

8 Creditors: amounts falling due within one year

	2009	2008
	£	£
Trade Creditors	119,128	2,939
Taxation and Social Security	7,081	4,899
	<u>126,209</u>	<u>7,838</u>

9 Restricted Funds

The Prison Radio Association's restricted income included the following donations LankellyChase Foundation £15,000 and Sir Halley Stewart £20,000 contribution to Director of Operations costs J Paul Getty Jnr Charitable Trust £22,500 contribution to salary costs The Mary Kinross Charitable Trust £5,000 for the Prison Radio Association conference

The charity also received funding from NOMS £9,278 for the delivery of a radio service at HMP Brixton, and £17,000 from the Wates Foundation towards the costs of establishing a national prison radio service

10 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2009 £
Fund balances as at 31 December 2009 are represented by			
Tangible fixed assets	16,653	-	16,653
Net assets	2,324	37,801	40,125
	<u>18,977</u>	<u>37,801</u>	<u>56,778</u>

11 Related Party Transactions

The Prison Radio Association is controlled jointly by the Board of Trustees

During the year the Prison Radio Association had the following related party transactions

- £12,216 Facility allowance (2008 £11,798) paid in total to two key management personnel, Mr K Tilley and Mr P Maguire