

Company Registered Number 5571624

PRISON RADIO ASSOCIATION

Registered Charity No. 1114760

FINANCIAL STATEMENTS TO

31 DECEMBER 2010

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FOR THE YEAR ENDED 31 DECEMBER 2010**

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**PRISON RADIO ASSOCIATION
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	Lawrence Galkoff (appointed 28 July 2010) Helen Matthews Paul McDowell (appointed 28 July 2010) Steve Orchard Daniel Owen Paul Randall
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 2010**

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 & Braithwaite brochure). Each trustee is introduced to the work of the charity via visits to specific prison radio projects 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, 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 2010. 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 eight 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 members 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 a separate executive risks policy includes an extension to cover libel and slander.

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

Related Parties

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

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

Over the period January 2010 to December 2010 the PRA has continued to build a respected track record in the field of offender learning. In late 2010 the PRA recruited a Campaigns and Communications Manager with responsibility of developing links with radio projects across the estate

The PRA with support from NOMS developed a set of Editorial Guidelines and a compliance procedure to safeguard the production of content aimed for broadcast

The PRA's own flagship radio project (*Electric Radio Brixton*) was recognised at the Sony Radio Academy Awards ceremony, held in May, where it received a Bronze in the Community Programming Award category and a nomination in the Speech Award category

In October the PRA was awarded the *Good Friday 10* category winner at the Jerusalem Awards

National Prison Radio Service

Since May 2009 the PRA has been developing 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

The PRA's *Electric Radio Brixton* was the fore-runner to the establishment of the National Prison Radio Service – now known as *National Prison Radio*

"National Prison Radio has had a powerful impact on listeners at HMP Brixton. The service communicates vital information about the educational opportunities and resettlement programmes which can help prisoners to make the most of their time in prison and turn their lives around."

"The sense of prison community has been strengthened by the presence of prisoners' voices on air and the ability for staff and support services to address important issues in a way that is accessible to everyone, including (occasionally) frank on-air discussions with staff and managers about prison life." Governor Ed Tullett, HMP Brixton

Wider Prison Estate

Over the last 12 months the charity has continued to advise around 40 prisons on prison radio and radio production training issues and hosted its third Annual Conference and Awards Ceremony. The event was held at London's Southbank Centre and feedback from the conference was excellent

Throughout 2010 the PRA also concentrated its efforts on the development of a sister project at HMP Styal in Cheshire. *Styalistic Radio* was officially launched by HRH The Princess Royal in October and has produced a weekly programme for *National Prison Radio* entitled *Women Inside*

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

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.

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. 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 early success of the National Prison Radio Service, in partnership with the National Offender Management Service.

The PRA remains committed to developing a professional production house and aims to produce a number of commissions throughout 2011.

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 PRA's Campaigns and Communications Manager will take the lead on this.

The charity is committed to delivering its fourth Annual Conference in late 2011. 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 final report was completed in May 2010 and made recommendations to the PRA that supported its strategic organisational objectives.

Over the next 12 months the PRA will work closely with a number of partners to develop an evaluation policy that will look at measuring the impact and effectiveness of its broadcasts on its listening audience.

**PRISON RADIO ASSOCIATION
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

Responsibilities of the Management Committee (Directors)

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors should follow best practice and

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

The directors are responsible for maintaining proper accounting records which 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 1985

The directors 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

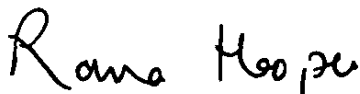
The Directors

The directors who served during the year and up to the date of this report are set out on page 3

In accordance with company law, as the company's directors, we certify that

- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounting information

On behalf of the Board of Trustees 11/6/2011



Roma Hooper
Chairman
Approved by the board

**PRISON RADIO ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total 12 months to December 2010 £	Total 12 months to December 2009 £
INCOMING RESOURCES	2				
Incoming resources from generated funds:					
Voluntary Income		234,500	200,568	435,068	219,440
Investment Income		66	-	66	64
Activities for Generating Funds		200	1,396	1,596	4,209
Incoming resources from charitable activities		-	-	-	23,833
Total Incoming Resources		234,766	201,964	436,730	247,546
RESOURCES EXPENDED	3				
Costs of generating funds:					
Fundraising and publicity		5,799	27,675	33,474	32,891
Charitable Expenditure:					
Charitable activities		159,487	93,852	253,339	200,735
Governance costs	4	29,124	27,675	56,799	52,294
Total Resources Expended		194,410	149,202	343,612	285,920
Net (outgoing)/incoming resources before transfers		40,356	52,762	93,118	(38,374)
Transfer from Restricted Funds		15,284	(15,284)	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		55,640	37,478	93,118	(38,374)
Net movement in funds		55,640	37,478	93,118	(38,374)
Total funds at 1 January 2010		18,977	37,801	56,778	95,152
Total funds at 31 December 2010		74,617	75,279	149,896	56,778

The attached notes form part of these accounts

**PRISON RADIO ASSOCIATION
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	2010	2009
		£	£
Fixed assets:	6	23,193	16,653
Current assets:			
Debtors	7	27,221	16,163
Cash at bank		<u>192,146</u>	<u>150,171</u>
		219,367	166,334
Current liabilities:			
Creditors amounts falling due within one year	8	<u>92,664</u>	<u>126,209</u>
Net current assets		126,703	40,125
Net assets		<u>149,896</u>	<u>56,778</u>
Funds			
Restricted funds:	9	75,279	37,801
Unrestricted funds:		74,617	18,977
Total funds		<u>149,896</u>	<u>56,778</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2010. The trustees have not required the company to obtain an audit of its financial statements for the year ended 31 December 2010 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 11/6/2011 and signed by

Roma Hooper

Roma Hooper
Chairman

**PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	- 33% on straight line
Furniture and Fixtures	- 10% on 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 2010

2. Incoming Resources from Generated Funds

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	2010 £	2009 £
2a Voluntary Income				
Donations	234,500	195,568	430,068	164,440
Grants	-	5,000	5,000	55,000
	<u>234,500</u>	<u>200,568</u>	<u>435,068</u>	<u>219,440</u>
2b Investment Income				
Bank interest received	66	-	66	64
2c Activities for Generating Funds				
Conference	-	1,396	1,396	2,609
Team building	-	-	-	1,500
Other income	200	-	200	100
	<u>200</u>	<u>1,396</u>	<u>1,596</u>	<u>4,209</u>
2d Charitable Activities				
Brixton	-	-	-	23,333
South Birmingham College	-	-	-	500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,833</u>
Total	<u>234,766</u>	<u>201,964</u>	<u>436,730</u>	<u>247,546</u>

3 Total Resources Expended

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	2010 £	2009 £
Staff Costs	102,662	132,227	234,889	175,147
Website	815	-	815	851
Communications	8,266	-	8,266	6,315
Printing and Stationery	1,872	-	1,872	1,192
Office Costs	12,646	-	12,646	12,666
Travel Costs	9,337	-	9,337	8,305
Consultancy	513	10,000	10,513	2,875
Satellite Services	24,094	-	24,094	22,656
Training and Conference	6,923	2,000	8,923	16,106
Radio Setup Assistance	-	4,975	4,975	9,890
Programme Expenses	-	-	-	7,408
Insurance	4,897	-	4,897	3,621
Depreciation	8,645	-	8,645	4,090
Loss on disposal	-	-	-	4,270
Accountancy	3,315	-	3,315	2,490
Legal and Professional	470	-	470	435
Other Costs	9,955	-	9,955	7,605
	<u>194,410</u>	<u>149,202</u>	<u>343,612</u>	<u>285,920</u>

PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

4 Governance costs

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	2010 £	2009 £
Staff Costs	-	27,675	27,675	27,203
Office Expenses	12,646	-	12,646	12,665
Insurance	4,897	-	4,897	3,621
Communications	8,266	-	8,266	6,315
Accountancy	3,315	-	3,315	2,490
	<u>29,124</u>	<u>27,675</u>	<u>56,799</u>	<u>52,294</u>

5. Staff Costs and Numbers

The charity employed an average of 5 members of staff during the accounting period (2009 - 4)
The costs were

	2010 £	2009 £
Salaries	210,672	156,238
Social Security Costs	<u>24,217</u>	<u>18,909</u>
	<u>234,889</u>	<u>175,147</u>

No employees earned over £60,000 per annum

The trustees received no remuneration in the year (2009 £nil)

The PRA incurred Trustees' Indemnity Insurance expenditure of £552 (2009 £523)

6 Tangible Fixed Assets

	Computer and Radio Equipment £	Furniture and Fixtures £	Total £
Cost at 1 January 2010	23,478	-	23,478
Additions	3,907	11,377	15,284
Disposals	-	-	-
Cost at 31 December 2010	<u>27,385</u>	<u>11,377</u>	<u>38,762</u>
Depreciation at 1 January 2010	6,924	-	6,924
Charge for the year	8,402	243	8,645
Eliminated on disposal	-	-	-
Depreciation at 31 December 2010	<u>15,326</u>	<u>243</u>	<u>15,569</u>
Net Book Value at 31 December 2010	<u>12,059</u>	<u>11,134</u>	<u>23,193</u>
Net Book Value at 31 December 2009	<u>16,554</u>	<u>-</u>	<u>16,554</u>

Fixed assets are all used for charitable purposes

PRISON RADIO ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

7. Debtors

	2010	2009
	£	£
Trade Debtors	16,813	5,211
Prepayments and Accrued Income	10,408	10,952
	<u>27,221</u>	<u>16,163</u>

8. Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade Creditors	83,820	119,128
Taxation and Social Security	8,844	7,081
	<u>92,664</u>	<u>126,209</u>

9 Restricted Funds

The Prison Radio Association's restricted income included the following donations Sir Halley Stewart £5,000 contribution to Director of Operations costs J Paul Getty Jnr Charitable Trust £45,000, Lloyds TSB Foundation £20,000, Big Lottery Fund £16,796 and Lady Edwina Grosvenor £10,000 contribution to salary costs of Radio Producers The Mary Kinross Charitable Trust £2,000 contribution for the Prison Radio Association conference The Wates Foundation £33,000 contribution towards the cost of establishing a national prison radio service

In addition to the above, the PRA also received funds for

- a) the delivery of an European Social Fund employability training contract for London Probation Trust,
- b) the delivery of purposeful hours activity for the National Offender Management Service - Regional Procurement Unit,
- c) re-imburement by the National Offender Management Service OESS Group for costs paid out by the PRA for satellite broadcasting expenses and licenses

The transfer of £15,284 from restricted funds represents fixed asset purchases funded by Big Lottery Fund donations The restriction has been lifted at the point of purchase in accordance with the donors requirements

10 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	2010
			£
Fund balances as at 31 December 2010 are represented by			
Tangible fixed assets	23,193	-	23,193
Net assets	51,424	75,279	126,703
	<u>74,617</u>	<u>75,279</u>	<u>149,896</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 (2009 £12,216) paid in total to two key management personnel, Mr K Tilley and Mr P Maguire