

Company Registered Number: 05571624

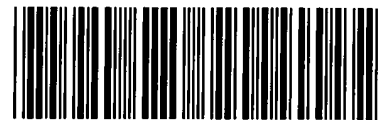
**PRISON RADIO ASSOCIATION**

**Registered Charity No. 1114760**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED**

**31 MARCH 2017**

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**PRISON RADIO ASSOCIATION  
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FOR THE YEAR ENDED 31 MARCH 2017**

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**PRISON RADIO ASSOCIATION  
REFERENCE AND ADMINISTRATIVE INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2017**

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Charity name	Prison Radio Association
Company registration number	05571624
Charity registration number	1114760
Registered address	10 Queen Street Place London EC4R 1BE
Board of Trustees:	
Chair of Trustees	Roma Hooper
Trustees	Lawrence Galkoff Helen Matthews (resigned on 29 June 2016) Paul McDowell Steve Orchard Erin Segilia-Chase Kieron Tilley Julia Howard (appointed on 26 January 2017) Ryan Wain (appointed on 12 July 2017) David Franklin (appointed on 12 July 2017)
Secretary	Mark Robinson
Chief Executive	Phil Maguire
Legal Advisers	Bates Wells and Braithwaite 10 Queen Street Place London EC4R 1BE
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Auditors	Chater Allan LLP Beech House 4A Newmarket Road Cambridge CB5 8DT

**PRISION RADIO ASSOCIATION  
BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

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**Structure, Governance and Management**

**Governing Document and Public Benefit**

The Prison Radio Association (PRA) 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.

The objects of the charity are the education, relief and rehabilitation of offenders in custody and in the community. The charity's overall aim and where it works to support public benefit is its commitment to contributing to a reduction in re-offending.

The charity works in partnership with a number of organisations from across the voluntary, community and social enterprise (VCSE) sectors that support the HM Prison and Probation Service' (HMPPS) priorities in reducing reoffending. The charity operates mainly within prisons across England and Wales, but is increasingly supporting the development of prison radio initiatives globally.

In the event of the company being wound up members are required to contribute an amount not exceeding £10.

The charity has received a core grant from HMPPS for a number of years which is confirmed annually in line with their financial year (April to March). To aid budgeting the trustees decided to bring the PRA's accounting period in line with that of HMPPS and therefore prepared accounts for a 15-month period to the 31<sup>st</sup> March 2016 in order to do so.

**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 prisoners are appropriately reflected through the diversity of the trustee body. Regular reviews are undertaken to ensure that the required skills 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). Trustees are introduced to the work of the charity via visits to specific prison radio projects and an induction by the chair and Chief Executive. An induction pack containing the Memorandum and Articles of Association, the charity's business plan and budgets, together with other relevant information, including minutes of trustees' meetings is provided.

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. All trustees are appraised by the Chair on an annual basis.

**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 Management Committee has members from a variety of professional backgrounds relevant to the work of the charity. Day-to-day administration is delegated to the Chief Executive who is responsible for ensuring that the charity delivers the services specified.

### **Remuneration policy for key management personnel**

The pay of the CEO and all staff are reviewed annually and normally increased to reflect a cost of living adjustment which is set based on external benchmarks. The trustees also benchmark against pay levels in other charities and consider the performance of the charity when deciding on any increases above cost of living.

### **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.

Appropriate insurance policies are in place including employers' liability, public liability and professional and trustee indemnity. Due to the specialist nature of the charity's activities the charity's policies include an extension to cover libel and slander.

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 these. The charity's Risk Register is regularly reviewed by the Chief Executive and the Management Committee. The key risks facing the charity are:

1. Lack of funding preventing the Charity from fulfilling its commitments, with serious impact on the reputation and long-term viability of the Charity
2. Closure of HMP Brixton leading to loss of NPR HQ
3. Loss of ability to broadcast due to inadequate or unsuitable technology

### **Related Parties**

The charity works closely with its principal partner, HM Prison and Probation Service (HMPPS) to ensure its objectives are met.

The PRA also works with a plethora of other agencies, predominantly third sector, whose principal aims are to support HMPPS' priorities in reducing reoffending.

### **Public benefit focus on ensuring that our activities achieve our charitable aims**

The trustees review the aims, objectives and activities of the Charity each year; evaluating impact and ensuring that activities remain focused on the Charity's stated purposes. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

### **Achievements and Performance in delivery of public benefit**

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 addition to the above, the PRA runs National Prison Radio (NPR). The world's first and only national radio station for prisoners, NPR supports prisoners through their sentences and aims to reduce reoffending. It also highlights the effects of crime and imprisonment on prisoners, families, victims and society as a whole. It provides vital information and support to help the audience turn their backs on crime, and rebuild their lives in preparation for release.

The PRA works in partnership with a range of statutory and voluntary bodies to create impactful programming for NPR. Programming signposts its audience to services supporting rehabilitation and resettlement. National Prison Radio takes the messages of partner organisations and literally amplifies them, providing prisoners with crucial information and driving up referral rates to essential services.

**PRISON RADIO ASSOCIATION  
BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

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NPR broadcasts 24 hours a day, seven days a week, via an audio channel on in-cell television systems. As of March 2017, it can be received in 108 prisons across England and Wales, with a potential static audience of more than 81,341 prisoners.

In the 12-month period to 31st March 2017, a total of 708 prisoners appeared on National Prison Radio.

*"I listen to you 24/7. Since I have been listening to NPR, I have stopped hurting myself. You know how we're feeling when the last call for bang up echoes round the landings each night. We know we're safe in your hands."*

NPR listener, HMP Frankland

*"It's been a fantastic year for the PRA, celebrating their 10th anniversary, winning 'Charity of the Year' and taking National Prison Radio to the next level. The quality and impact of NPR's programmes makes a difference to thousands of prisoners every day. We have the most comprehensive, high quality prison radio coverage anywhere in the world – and I just want to say 'thank you' to the PRA for all their support."*

Michael Spurr, Chief Executive Officer, HM Prison and Probation Service

In 2017, National Prison Radio received 6,641 letters from prisoners in 108 different prisons (up from 6,403 letters in 2016 and 5,813 letters in 2015). The period saw 3,878 requests and messages of support received from prisoners' friends and loved ones (up from 3,159 in 2016 and 1,834 in 2015).

In September 2016 the Prison Radio Association was named 2016 Charity of the Year at the Third Sector Excellence Awards and won the Grassroots Production Award category of the 2016 Audio Production Awards.

The charity continues to produce radio programmes for the BBC's national radio stations and for the BBC World Service. During the last year, the PRA was awarded a Gold at the New York Festivals International Radio Program Awards and it won the prestigious Audio Stories Rose d'Or in Berlin for its landmark documentary, *The Abuse Trial*, produced for BBC Radio 4.

## **Wider Prison Estate**

### *Supporting prison radio practitioners*

During the last year, the charity has continued to advise prisons on prison radio and radio production training issues. In November 2016 the PRA ran its ninth annual conference at London's Southbank Centre. ***Inside Prison Radio 2016*** was a one-day event, focussed on helping prison radio practitioners to make the most of their projects. The theme of the event was 'storytelling'.

The conference had a strong training element, with sessions designed to help staff make the most of the incredible stories they have at their fingertips; helping them to turn these stories into must-listen radio. The conference was also designed to reach out to international delegates and inform potential partners of the opportunities afforded by prison radio.

In total, there were 109 delegates registered to attend – up from 92 in the previous year – by far the largest attendance in the conference's history. Awards recognising excellence in prison radio were presented to 17 prison radio projects.

## **Monitoring and Evaluation**

Over the last five years the Prison Radio Association has developed and refined a robust evaluation strategy. During this period research indicates that National Prison Radio consistently maintains a loyal listenership with a significant audience reach:

- 81,341 potential National Prison Radio listeners
- 97% of prisoners know about National Prison Radio
- 72% of prisoners listen to National Prison Radio
- 37% of prisoners listen to National Prison Radio every day
- 11.4 average weekly listening hours (10.4 in 2015, 9.2 in 2014)

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In the last 12 months:

- 6,641 letters sent by prisoners to National Prison Radio from 108 different prisons across England and Wales.
- 3,878 requests/messages of support received from prisoners' friends and loved ones.
- The PRA partnered with 147 different organisations.

Listeners' impressions of National Prison Radio:

- 87% of listeners agree with the statement: 'NPR has helped me to make a positive change to my life'
- 86% of listeners agree with the statement: 'NPR has made me aware of support services available in prisons'
- 75% of listeners agree with the statement: 'I trust what I hear on NPR'
- 59% of listeners agree with the statement: 'NPR provides information I can't get anywhere else'

National Prison Radio's programming encourages the prisoner audience to engage with the range of advice and support services and opportunities available to them. As part of its output National Prison Radio broadcasts a number of major Social Action Campaigns throughout the year.

**On-air campaign highlights in the year to 31st March 2017**

**Books Unlocked**, in partnership with the National Literacy Trust & Booker Prize Foundation  
Serialised book readings, broadcast every night of the week.

As many as 60% of prisoners have difficulty with basic literacy skills. Books Unlocked encourages people to read by giving them access to award-winning literature, on the radio.

77% of NPR listeners heard Books Unlocked (91% for 18-21 year olds).

44% said listening to Books Unlocked encouraged them to read or write more.

1,016 In the two years since this partnership began, NPR has given away 1,016 books. That's more than a book a day going to people in prison who are eager to read.

***"The programmes broadcast by the Prison Radio Association have a huge reach and support learning through campaigns and initiatives such as the daily book club programme, Books Unlocked."***

Dame Sally Coates, Unlocking potential: a review of education in prison, 2016

**Freedom Inside**, in partnership with The Prison Phoenix Trust  
A weekly mindfulness programme, presented by Jeremy Irons.

It's estimated that 36% of the prison population suffer from anxiety and depression compared to 16% of the general UK population. Freedom Inside is a programme about yoga and mindfulness, reducing violence and anxiety.

68% of National Prison Radio listeners tune in to Freedom Inside with 55% saying it makes them feel more positive.

**Safer Custody for Everyone**, in partnership with HM Prison and Probation Service  
A series of short features about the impact of violence in prison.

In the 12 months to June 2016, assaults in prison were up 34%, with over 23,000 reported across the prison estate. Safer Custody for Everyone aimed to reduce violence in prisons by offering listeners practical advice about coping with stress and aggression.

62% of listeners heard this campaign on National Prison Radio. They praised the content for "helping them see the bigger picture", with support presented in an "easy-to-understand" format.

**PRA Productions**

PRA Productions has continued to develop through the period. It is the "commercial" stream of activity within the charity and specialises in creating audio with socially beneficial messages. It has three primary areas of business:

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- To produce and broadcast radio content on behalf of organisations that need to communicate with prisoners in order to meet their objectives. This includes other charities, statutory organisations and government departments looking to support prisoners through their sentences. Content is broadcast to the prisoner audience through National Prison Radio;
- To produce audio content, such as podcasts and documentaries, and run radio production training for organisations in sectors parallel to criminal justice, such as addiction treatment;
- To produce documentaries for national BBC Radio Networks, including BBC Radio 1, 1Xtra, 2, 4 and the BBC World Service. Through this channel, the PRA is able to reach a wider audience with programming about social issues.

### **Financial Review**

The charity's principal funding sources in the period were HMPPS and charitable trusts and foundations and its principal expenditure was staff salaries. An increasingly important part of the PRA's income comes from commercial commissions for clients across the public, private and VCSE sectors.

Total income for the year was £633,495 (15 months to 31 March 2016: £930,414). This includes £300k in grant income from HMPPS for core costs. HMPPS have confirmed the award of another grant for 12 months from April 2017. Income from contracted activity which includes PRA Productions totaled £198k in the year (15 months to 31 March 2016: £329k).

Total expenditure for the year was £696,969 (15 months to 31 March 2016: £762,200), £457k of which was staff costs (2016: £526k).

The deficit for the period was £63k, leading to funds carried forward of £603k of which £107k is designated.

The PRA is grateful to a number of partners who provide pro-bono support in terms of premises, HR, evaluation and legal advice.

### **Investment and Reserves Policy**

The Management Committee has examined the charity's requirements for reserves going forward in light of the main risks of the organisation and the new three-year Business Plan, which was implemented at the beginning of 2015.

It has established a policy whereby the charity should hold sufficient unrestricted funds (not committed or invested in tangible fixed assets) required for between six to nine months of normal expenditure. While the charity is currently financially sound due to reserves brought forward it relies heavily on government funding which is confirmed annually rather than being a long-term commitment. There is no other base of ongoing secured income other than commission income from PRA Productions.

The Management Committee would therefore like to ensure that they can cover the costs for any period which may occur where further funding needs to be secured. It has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise that necessitate this action.

The charity held £475k in free reserves as at 31st March 2017 which is in line with the level of required free reserves of between £376k and £564k.

### **Future Plans**

The Management Committee is continuing the progression of the three-year Business Plan (2015 – 2017), which aims to build on the successful development of National Prison Radio, in partnership with the HM Prison and Probation Service, and to increase its social impact on the listening audience. A further three-year Business Plan (2018 – 2021) is in development.



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FOR THE YEAR ENDED 31 MARCH 2017**

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The PRA also aims to strengthen its production arm, PRA Productions in order to move the charity further towards financial sustainability.

The PRA is continuing to develop Straightline, an online channel and smartphone 'app'. In September 2016, the PRA launched the first iteration of the Straightline app, as a pilot offering inspirational, bespoke content, information and support to people involved in the criminal justice system. The app is designed to support former prisoners, and those impacted by the criminal justice system, through targeted media content.

The pilot Straightline app carried seven short films featuring the stories of former prisoners who have successfully made the transition back into the community without reoffending. Following a detailed evaluation of the pilot, the PRA is now poised to develop Straightline into a multidimensional hub – a resource rather than a destination; which people can actively engage with and which can support people through the process of change.

National Prison Radio has an enviable market penetration and strong levels of trust and identification among the target audience. The service can only be accessed in prison cells however and the PRA recognises that the rehabilitation needs of prisoners extend beyond prison and into the community. Straightline is therefore the next logical step for the organisation.

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The trustees are responsible for preparing the Board of Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity 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 judgments and accounting 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the governing document.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each trustee has taken steps that he or she ought to have taken as trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**PRISION RADIO ASSOCIATION  
BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

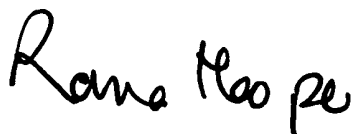
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**AUDITORS**

The auditors, Chater Allan LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report, which has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small entities.

This report was approved by the Board of Trustees on and signed on their behalf by:



Roma Hooper  
Chairman

13-09-2017

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF PRISON RADIO ASSOCIATION**

We have audited the financial statements of Prison Radio Association for the period ended 31 March 2017 which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's trustees those matters we are required to state to them in an audit 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 company and the company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

As explained more fully in the Statement of Trustees' Responsibilities set out on page eight, the trustees (who are also directors of the company) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

### **OPINION**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Report for the financial year which the financial statements are prepared is consistent with the financial statements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and to take advantage of the small companies' exemption in preparing the Trustees' Report.

Chater Allan LLP  
Chartered Accountants & Statutory Auditors  
Beech House  
4a Newmarket Road  
Cambridge, CB5 8DT

Stuart Graham Berriman (Senior Statutory Auditor)

Date: 28/09/2017



**PRISON RADIO ASSOCIATION  
STATEMENT OF FINANCIAL ACTIVITIES AND INCOME  
AND EXPENDITURE  
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted Funds 2017 £	Designated Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
<b>INCOME</b>	<b>2</b>					
Donations		347,213	-	5,000	352,213	450,680
Income from charitable activities		222,055	-	56,167	278,222	478,506
Investment Income		3,060	-	-	3,060	1,228
<b>Total Income</b>	<b>2</b>	<b>572,328</b>	<b>-</b>	<b>61,167</b>	<b>633,495</b>	<b>930,414</b>
<b>EXPENDITURE</b>						
Costs of raising funds	<b>3</b>	87,836	-	-	87,836	58,837
Expenditure on charitable activities		501,995	36,186	70,952	609,133	703,363
<b>Total Expenditure</b>	<b>3</b>	<b>589,831</b>	<b>36,186</b>	<b>70,952</b>	<b>696,969</b>	<b>762,200</b>
<b>Net income/(expenditure)</b>		<b>(17,503)</b>	<b>(36,186)</b>	<b>(9,785)</b>	<b>(63,474)</b>	<b>168,214</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>(17,503)</b>	<b>(36,186)</b>	<b>(9,785)</b>	<b>(63,474)</b>	<b>168,214</b>
<b>Reconciliation of funds</b>						
Total funds at 1 April 2016		513,255	143,385	9,785	666,425	498,211
<b>Total funds at 31 March 2017</b>	<b>11</b>	<b>495,752</b>	<b>107,199</b>	<b>-</b>	<b>602,951</b>	<b>666,425</b>

The attached notes form part of these accounts

The statement of financial activities includes all gains and losses recognised in the year.

The 2016 comparative figures relate to the 15 months ended 31 March 2016.

**Continuing Operations**

None of the company's activities were acquired or discontinued during the current or previous year

**PRISON RADIO ASSOCIATION  
BALANCE SHEET  
AS AT 31 MARCH 2017**

	Note	2017	2016
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	6	21,086	25,628
<b>Current assets:</b>			
Debtors	7	164,684	179,440
Cash at bank		<u>537,892</u>	<u>580,673</u>
		702,576	760,113
<b>Current liabilities:</b>			
Creditors: amounts falling due within one year	8	<u>120,711</u>	<u>119,316</u>
<b>Net current assets</b>		581,865	640,797
<b>Net assets</b>		<u>602,951</u>	<u>666,425</u>
<b>Funds</b>			
<b>Restricted funds:</b>	9	-	9,785
<b>Unrestricted funds:</b>	10		
Designated funds		107,199	143,385
General funds		495,752	513,255
<b>Total funds</b>	11	<u>602,951</u>	<u>666,425</u>

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 .....13/9/17..... and signed by

*Roma Hooper*

Roma Hooper  
Chairman

**PRISON RADIO ASSOCIATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash (used in)/provided by operating activities</b>	<b>14</b>	<u><u>(40,590)</u></u>	<u><u>92,447</u></u>
<b>Cash flows from investing activities:</b>			
Interest from investments	<b>2</b>	3,060	1,228
Purchase of property, plant and equipment	<b>6</b>	<u><u>(5,251)</u></u>	<u><u>(8,397)</u></u>
<b>Net cash provided by/(used in) investing activities</b>		<u><u>(2,191)</u></u>	<u><u>(7,169)</u></u>
 <b>Change in cash and cash equivalents in the reporting period</b>		<u><u>(42,781)</u></u>	<u><u>85,278</u></u>
 <b>Cash and cash equivalents at the beginning of the reporting period</b>		580,673	495,395
 <b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>537,892</u></u>	<u><u>580,673</u></u>

**PRISON RADIO ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. Accounting Policies**

**(a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Prison Radio Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling £.

**(b) Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed.

**(c) 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 and are to be solely used for particular areas of the charity's work. Designated funds are unrestricted funds of the charity which the trustees have earmarked for a particular use in the future.

**(d) Income**

All income is included in the statement of financial activities on an accruals basis when the charity is entitled to the income. Grant income provides funding to support charity activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Investment income is included when receivable.

**(e) Expenditure**

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.

**(f) 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

**(g) Taxation**

The company is a registered charity and is exempt from taxation on its charitable income.

**(h) Going concern**

The financial statements have been prepared on the going concern basis. The directors are satisfied that available sources of finance and future funding income are sufficient to enable the company to continue to meet its liabilities as they fall due.

**PRISON RADIO ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1. Accounting Policies (Continued)**

**(i) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(j) Creditors**

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

**2. Income**

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total 2017 £	Total 2016 £
<b>Income from charitable activities to reduce re-offending:</b>				
<b>Donations</b>				
NOMS core grant	300,000	-	300,000	375,000
Other grants	40,000	5,000	45,000	70,342
Other income	7,213	-	7,213	5,338
	<u>347,213</u>	<u>5,000</u>	<u>352,213</u>	<u>450,680</u>
<b>Investment Income</b>				
Bank interest received	3,060	-	3,060	1,228
<b>Charitable Activities</b>				
Prison Radio Services	30,000	56,167	86,167	221,300
Reimbursed Licence fees	36,147	-	36,147	45,192
Commissioned Productions	131,781	-	131,781	210,246
Events	24,127	-	24,127	1,768
	<u>222,055</u>	<u>56,167</u>	<u>278,222</u>	<u>478,506</u>
<b>Total</b>	<u>572,328</u>	<u>61,167</u>	<u>633,495</u>	<u>930,414</u>

**3. Expenditure**

	Raising Funds 2017 £	Charitable Activities 2017 £	Governance Costs 2017 £	Support Costs 2017 £	Total 2017 £	Total 2016 £
Salaries, social security and pension	48,068	366,153	16,380	26,470	457,071	526,355
Other staff costs	-	-	309	26,048	26,357	28,981
Accountancy and book-keeping	-	-	-	13,123	13,123	33,328
Cost of commissioned projects	-	30,809	-	-	30,809	61,232
Website and IT costs	-	6,949	-	6,949	13,898	18,636
Office costs	2,465	-	446	23,486	26,397	19,126
Radio costs	-	49,064	-	-	49,064	59,470
Straightline costs	-	36,186	-	-	36,186	6,615
Conference and events	25,400	12,844	-	-	38,244	5,392
Audit fees	-	-	5,820	-	5,820	3,065
	<u>75,933</u>	<u>502,005</u>	<u>22,955</u>	<u>96,076</u>	<u>696,969</u>	<u>762,200</u>
Support costs	9,608	86,469	-	(96,076)	-	-
Governance costs	2,295	20,659	(22,955)	-	-	-
<b>Total Expenditure</b>	<u>87,836</u>	<u>609,133</u>	<u>-</u>	<u>-</u>	<u>696,969</u>	<u>762,200</u>



**PRISON RADIO ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**4. Net Income/(Expenditure)**

Net income/(expenditure) is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	9,793	10,560
Auditors' remuneration 2017	5,000	-
Auditors' remuneration 2016	820	3,000
	<hr/>	<hr/>

**5. Staff Costs and Numbers**

The charity employed an average of 15 members of staff during the accounting period (2016:15).  
The costs were:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Salaries	420,320	485,624
Social security costs	27,687	40,731
Pension costs	9,064	-
	<hr/>	<hr/>
	<b>457,071</b>	<b>526,355</b>

One employee earned between £70,000-£80,000 and one between £60,000-£70,000 during the year (2016: one between £90,000-£100,000, one between £60,000-£70,000 for 15 month period). One trustee received reimbursed travel expenses totalling £309 in the year (2016: £nil). No remuneration was paid to any trustees in the year (2016: £nil). The PRA incurred Trustees' Indemnity Insurance expenditure of £446 (2016: £446).

**Key Management Personnel**

The total employment benefits of key management personnel was £80,425 (2016: £69,308 on an annualised basis).

**PRISON RADIO ASSOCIATION**  
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**6. Tangible Fixed Assets**

	Computer and Radio Equipment	Furniture and Fixtures	Total
	£	£	£
Cost at 1 April 2016	66,123	21,801	87,924
Additions	5,251	-	5,251
Disposals	-	-	-
Cost at 31 March 2017	<u>71,374</u>	<u>21,801</u>	<u>93,175</u>
Depreciation at 1 April 2016	54,197	8,099	62,296
Charge for the year	7,613	2,180	9,793
Eliminated on disposal	-	-	-
Depreciation at 31 March 2017	<u>61,810</u>	<u>10,279</u>	<u>72,089</u>
Net Book Value at 31 March 2017	<u>9,564</u>	<u>11,522</u>	<u>21,086</u>
Net Book Value at 31 March 2016	<u>11,926</u>	<u>13,702</u>	<u>25,628</u>

Fixed assets are all used for charitable purposes.

**7. Debtors**

	2017 £	2016 £
Trade debtors	159,120	152,551
Prepayments and accrued income	5,564	26,889
	<u>164,684</u>	<u>179,440</u>

**8. Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	5,639	25,505
Taxation and social security	18,334	31,414
Accruals and deferred income	88,841	59,296
Other creditors	7,897	3,101
	<u>120,711</u>	<u>119,316</u>

Deferred income comprises income received in the year that is attributable to the following year in which the expenditure will be incurred.

	2017 £	2016 £
Balance of deferred income as at 1 April 2016	53,342	72,643
Amount released to income earned from charitable activities	(53,342)	(72,643)
Amount deferred in year	81,131	53,342
Balance of deferred income at 31 March 2017	<u>81,131</u>	<u>53,342</u>

**PRISON RADIO ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**9. Restricted Funds**

	As at 01-04-16	Income	Expenditure	Transfers	As at 31-03-17
The Henry Smith Charity	-	10,000	(10,000)	-	-
Increasing Reach, Increasing Outcomes	4,625	35,000	(39,625)	-	-
HMP Styal	5,160	9,167	(14,327)	-	-
Mary Kinross Charitable Trust	-	2,000	(2,000)	-	-
Straightline	-	5,000	(5,000)	-	-
	<u>9,785</u>	<u>61,167</u>	<u>(70,952)</u>	<u>-</u>	<u>-</u>

The Henry Smith Charity: Contribution to the Director of Radio salary costs.

Increasing Reach, Increasing Outcomes: Increasing prisoner involvement in the production of NPR and the depth to which the prisoner audience in England and Wales engages with the radio service

HMP Styal: To support the costs of National Prison Radio at HMP Styal

Mary Kinross Charitable Trust: Contribution to the Prison Radio Association Conference.

Straightline: Support for the development of the Straightline initiative which will provide support for prisoners on release and contribute to a reduction in their reoffending.

**10. Unrestricted Funds**

The Prison Radio Association is grateful for the support given by funders during 2017.  
These included:-

National Offender Management System  
Pilgrim Trust  
Porticus Foundation  
29th May 1961 Trust  
Henry Smith Charitable Trust

Designated funds are those earmarked by the trustees for the development of Straightline. The trustees anticipate designated funds being spent within 12 months of the year end.

**PRISON RADIO ASSOCIATION  
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**11. Analysis of Net Assets Between Funds**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2017 £
Fund balances as at 31 March 2017 are represented by:				
Tangible fixed assets	21,086	-	-	21,086
Net assets	474,666	107,199	-	581,865
	<u>495,752</u>	<u>107,199</u>	<u>-</u>	<u>602,951</u>

**12. 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:

£90 for IT consumables was paid to a company controlled by L Galkoff, a trustee.

There were no outstanding balances at the year end.

**13. Statement of Financial Activities Detail for 2016**

	Unrestricted Funds 2016 £	Designated Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £
<b>INCOME</b>				
Donations and legacies	450,680	-	-	450,680
Income from charitable activities	328,873	-	149,633	478,506
Investment Income	1,228	-	-	1,228
<b>Total Income</b>	<u>780,781</u>	<u>-</u>	<u>149,633</u>	<u>930,414</u>
<b>EXPENDITURE</b>				
Costs of raising funds	58,837	-	-	58,837
Expenditure on charitable activities	522,901	6,615	173,847	703,363
<b>Total Expenditure</b>	<u>581,738</u>	<u>6,615</u>	<u>173,847</u>	<u>762,200</u>
<b>Net income/(expenditure)</b>	199,043	(6,615)	(24,214)	168,214
Transfers between funds	(100,000)	100,000	-	-
<b>Net movement in funds</b>	<u>99,043</u>	<u>93,385</u>	<u>(24,214)</u>	<u>168,214</u>
<b>Reconciliation of funds</b>				
Total funds at 1 January 2015	414,212	50,000	33,999	498,211
<b>Total funds at 31 March 2016</b>	<u>513,255</u>	<u>143,385</u>	<u>9,785</u>	<u>666,425</u>

**PRISON RADIO ASSOCIATION  
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**14. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM  
OPERATING ACTIVITIES**

	2017 £	2016 £
Net (expenditure)/income for the year	(63,474)	168,214
Depreciation charges	9,793	10,560
Interest from investments	(3,060)	(1,228)
decrease/(increase) in debtors	14,756	(96,568)
Increase in creditors	1,395	11,469
<b>Net cash (used in) provided by operating activities</b>	<u><u>(40,590)</u></u>	<u><u>92,447</u></u>