

Charity Number : 1159896

The Prison Opticians Trust

Report and Accounts

31 March 2019

The Prison Opticians Trust

Report and accounts for the year ended 31 March 2019

Contents

	Page
Charity information	2
Trustees' Annual Report	2
Statement of trustees' responsibilities	6
Independent Examiner's Report	7
<i>Funds Statements:-</i>	
Statement of Financial Activities	9
Statement of Financial Activities - Prior Year statement	10
Movements in funds	12
Income and Expenditure account	13
Balance sheet	14
Cash flow statement	15
Notes to the accounts	17

**The Prison Opticians Trust
Trustees' Annual Report for the year ended 31 March 2019**

The Trustees present their Report and Accounts for the year ended 31 March 2019.

Reference and administrative details

The charity name.

The legal name of the charity is The Prison Opticians Trust. The charity is also known by its operating name, The Prison Opticians Trust.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1159896

Legal structure of the charity

The charity is constituted as a Charitable Incorporated Organisation (CIO) in England & Wales. The governing document of the charity is the constitution of the CIO as approved by the Charity Commission in England & Wales (CCEW). There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity

2nd Floor County House
35 Earl Street, Maidstone
Kent, ME14 1PF

The Trustees in office on the date the report was approved were:-

John Harding
Kamalpreet Singh Bains
Rosemary Gordon
Haninder Kaur Vraitch
Tanjit Dosanjh (appointed 16/05/2019)
James Burton (appointed 25/10/2019)
Sukhpreet Brom (appointed 30/05/2019)

The following persons served as Trustees during the year ended 31 March 2019 :-

John Harding
Kamalpreet Singh Bains
Rosemary Gordon
Haninder Kaur Vraitch

**The Prison Opticians Trust
Trustees' Annual Report for the year ended 31 March 2019**

Objects and activities of the charity

a. Activities for achieving objectives

Our training centre has now been equipped with a new auto-refractor, tonometer and visual fields screening machine. These machines allow us to train people to become optical advisors and give our trainees real experience of the types of machines they will be using when they get into practice.

We have re-designed our training material so it can be delivered on a rolling basis and we have made our training resources available to trainees via our website.

The main activities undertaken in relation to those purposes during the year.

The Trustees have taken due regard of the guidance published by the Charity Commission on public benefit

Achievements and performance

a. Review of activities

Our aim is to reduce re-offending which benefits society by creating safer communities. Offenders are disadvantaged in employment because a criminal record discourages employers. Our charity gives specialised training in the field of optics to offenders and engages with employers from this field to increase their likelihood of employing an offender.

If we achieve our aims of training offenders and engaging with employers then we believe we achieve our legal purpose which is the relief of poverty.

Our strategy for achieving our stated aims is to run a full time training programme, recruit offenders from prisons/probation, and network with employers willing to employ offenders.

The criteria used to assess success in the reporting period are the number of offenders who we have trained and the number of jobs we have helped to secure for offenders.

The short term and longer term aims and objectives.

The significant activities contribute to our aims and objectives as follows:

- Training programme - trains offenders in optics and makes them more employable for Optics.
- Employer Engagement - careful relationship building exercise. Once the employer trusts the charity and understands the lengths we go to ensure risk is carefully managed when working alongside prisoners then they are more likely to trust our beneficiaries. We now have serving prisoners working in opticians on day release from prison and this requires a great deal of understanding from the business owner and all of the staff that work there.

Our long term (3 years) aims and objectives are to:

- Scale up the training programme so that each year it trains 30 offenders per year.
- Increase the network of employers willing to employ offenders so we have 30 job opportunities per year available for our beneficiaries.

At present the number of staff involved in training is 1 and the number of staff involved in engaging employers is 1.

**The Prison Opticians Trust
Trustees' Annual Report for the year ended 31 March 2019**

The performance of material fundraising activities during the year against the fundraising objectives set.

The charity board regularly reviews how the training, employment and optometry contracts are all going. The charity keeps a log of all of our trainees through our training programmes. This document allows us to see both the successes and failures of our trainees. We also ask our trainees to complete an evaluation form at the end of their time with us which gives them a chance to tell us where we can improve.

- the charity has trained 12 offenders in the period April 2018-March 2019.
- the charity has helped 9 offenders into jobs in the period April 2018 - March 2019. Our targets for this period were to train offenders and then help 8 of them secure jobs in optics. Our achievements have matched our objectives which were set at the start of this period.
- The charity set no fundraising objectives for this period as its reserves were large enough to meet its charitable objectives and future income generation through making spectacles for prisoners appeared positive.

This is the charity's fourth reporting period and the charity is still in its early stages of operation. The charity is already making a difference to offenders and it is vital we continue to do this work in a sustainable manner. Gradually we believe our work will make a societal difference by making communities safer but measuring this change may be complicated.

The financial significant effects for the charity for this reporting period were:

- no significant reportable events
- the charity holds no financial investments
- the principal risks facing the charity are the loss of senior staff which will affect the charity's operations therefore the trustees are looking to find replacements as soon as possible.

The principal funding sources of the charity in the reporting period are from sale of equipment and sub-letting part of the offices of the charity.

Plans For the Future

Method of Appointment or Election of Trustees.

The method used to appoint new trustees is by panel interview of the applicant and then a trustees vote on whether to appoint or not.

The future direction of the charity is to continue providing its training programme and grow the number of people it helps per year. In addition to this the charity plans to set up a trading subsidiary to manage its optometry contracts.

Policy used to set KMP remuneration

At present the pay of KMP is based on skills, experience and market rates.

Financial review

The charity's financial position at the end of the year ended 31 March 2019

The financial position of the charity at 31 March 2019 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2019	2018
	£	£
Net expenditure	(90,516)	(42,231)
	<hr/>	<hr/>
Unrestricted Revenue Funds available for the general purposes of the charity	72,404	162,921
	<hr/>	<hr/>
Total Funds	72,404	162,921

**The Prison Opticians Trust
Trustees' Annual Report for the year ended 31 March 2019**

Reserves policy

The Trustees aim for the charity to retain reserves at a level to that will help to ensure its long-term financial stability and position it to respond to varying economic conditions and to changes affecting the charity's financial position and the ability of the charity to continuously carry out its mission.

Pen Optical Trust will maintain reserves to achieve the following objective(s):

- a) To enable the charity to sustain operations through delays in payments of committed funding and to accept reimbursable contracts without jeopardizing ongoing operations;
- b) To promote public and funder confidence in the long-term sustainability of the charity by preventing chronic cash flow crises that can diminish its reputation and force the Board to make expensive short-term, crisis-based decisions; and
- c) To create an internal line of credit to manage cash flow and maintain financial flexibility.

The target amount of reserves to be attained and maintained is £125,000 representing approximately 25% of annual operating expenses of £500,000, or about 3 months of expenses on average. At the year end the charity had free reserves of £151,549, being unrestricted funds excluding amounts invested in fixed assets. Restricted funds at year end amounted to £Nil. The trustees consider this level of reserves to be satisfactory at the end of the charity's second financial period.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Details of The Independent Examiner

Simon Kallu
Member of Chartered Accountants
Aldwych House
71-91 Aldwych
London
United Kingdom
WC2B 4HN

The Prison Opticians Trust
Trustees' Annual Report for the year ended 31 March 2019

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

- select suitable accounting policies and apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the financial statements on the going concern basis unless it is inappropriate

to presume that the charity will continue in business; state whether applicable accounting standards and statements of

recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. 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.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on

9/1/19 *9/1/20*



Tanjit Dosanjh
Trustee

The Prison Opticians Trust

Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 31 March 2019

I report to the Trustees on my examination of the financial statements of the charity on pages 9 to 27 for the year ended 31 March 2019 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and under the historical cost convention and the accounting policies set out on page 17.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the

As described on page 6, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

Since the charity's gross income exceeded £250,000, the charity's examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am an authorised member of Chartered Accountants, which is one of the listed bodies.

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

The Prison Opticians Trust

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

The gross income of the charity in the year ended 31 March 2018 appears to exceed the sum specified in Section 145(3) of the Act, namely £250000, and that I am qualified to act as Independent Examiner in accordance with that section by virtue of my being a qualified Institute of Chartered Accountants England and Wales;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Signed:-



Simon Kallu
Independent Examiner
Chartered Accountants

Aldwych House
71-91 Aldwych
London
United Kingdom
WC2B 4HN

This report was signed on

14/01/2020

The Prison Opticians Trust

Statement of Financial Activities for the year ended 31 March 2019

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2019 £	2019 £	2019 £	2018 £
Income & Endowments from:					
Donations & Legacies	A1	9,440	-	9,440	20,000
Charitable activities	A2	17,000	-	17,000	656,795
Investments	A4	3	-	3	-
Total income	A	26,443	-	26,443	676,795
Expenditure on:					
Charitable activities	B2	116,959	-	116,959	719,026
Total expenditure	B	116,959	-	116,959	719,026
Net expenditure for the year		(90,516)	-	(90,516)	(42,231)
Net income after transfers	A-B-C	(90,516)	-	(90,516)	(42,231)
Net movement in funds		(90,516)	-	(90,516)	(42,231)
Reconciliation of funds:-	E				
Total funds brought forward		162,921	-	162,921	205,152
Total funds carried forward		72,405	-	72,405	162,921

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 17 to 27 form an integral part of these accounts.

	SORP Ref	Prior Year	Prior Year	Prior Year
		Unrestricted Funds	Restricted Funds	Total Funds
		2018 £	2018 £	2018 £
Income from:				
Donations & Legacies	A1	20,000	-	20,000
Charitable activities	A2	656,795	-	656,795
Total income	A	<u>676,795</u>	<u>-</u>	<u>676,795</u>
Expenditure on:				
Charitable activities	B2	719,026	-	719,026
Total expenditure	B	<u>719,026</u>	<u>-</u>	<u>719,026</u>
Net expenditure for the year		(42,231)	-	(42,231)
Net income after transfers		<u>(42,231)</u>	<u>-</u>	<u>(42,231)</u>
Net movement in funds		<u>(42,231)</u>	<u>-</u>	<u>(42,231)</u>
Reconciliation of funds:-	E			
Total funds brought forward		205,152	-	205,152
Total funds carried forward		<u>162,921</u>	<u>-</u>	<u>162,921</u>

All activities derive from continuing operations

The Prison Opticians Trust - Resources applied in the year ended 31 March 2019 towards fixed assets for Charity use:-

	2019	2018
	£	£
Funds generated in the year as detailed in the SOFA	(90,516)	(42,231)
Resources applied on functional fixed assets	(1,875)	(34,209)
Net resources available to fund charitable activities	<u>(92,391)</u>	<u>(76,440)</u>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 17 to 27 form an integral part of these accounts.

Movements in revenue and capital funds for the year ended 31 March 2019

Revenue accumulated funds

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Last year Total Funds 2018 £
Accumulated funds brought forward	162,921	-	162,921	205,152
Recognised gains and losses before transfers	(90,516)	-	(90,516)	(42,231)
	72,405	-	72,405	162,921
Closing revenue funds	72,405	-	72,405	162,921

Summary of funds

	Unrestricted and Designated funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Last Year Total Funds 2018 £
Revenue accumulated funds	72,405	-	72,405	162,921

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Prison Opticians Trust
Income and Expenditure Account for the year ended 31 March 2019 as required by the
Companies Act 2006

	2019	2018
	£	£
Income		
Income from operations	26,440	676,795
Investment income		
Interest receivable	3	-
Gross income in the year before exceptional items	26,443	676,795
Gross income in the year including exceptional items	26,443	676,795
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	95,894	697,825
Depreciation and amortisation	21,065	21,201
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	116,959	719,026
Net income before tax in the financial year	(90,516)	(42,231)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	(90,516)	(42,231)
Retained surplus for the financial year	(90,516)	(42,231)

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Prison Opticians Trust - Balance Sheet as at 31 March 2019

	SORP		2019	2018
	Note	Ref	£	£
Fixed assets	A			
Tangible assets	10	A2	47,421	66,611
Current assets	B			
Stocks		B1	279	-
Debtors	12	B2	24,172	18,746
Cash at bank and in hand		B4	23,494	78,000
Total current assets			<u>47,945</u>	<u>96,746</u>
Creditors: amounts falling due within one year	13	C1	<u>(22,962)</u>	<u>(436)</u>
Net current assets			<u>24,983</u>	<u>96,310</u>
The total net assets of the charity			<u>72,404</u>	<u>162,921</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted funds

Unrestricted Funds

Unrestricted Revenue Funds	17	D3	72,404	162,921
----------------------------	----	----	--------	---------

Designated Funds

Total charity funds			<u>72,404</u>	<u>162,921</u>
----------------------------	--	--	---------------	----------------

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 8.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.



Ianjit Dosanjh

Trustee

Approved by the board of trustees on 9/11/20

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Prison Opticians Trust

Cash Flow Statement for the year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities		
Net cash used in operating activities as shown below	A <u>(52,633)</u>	<u>(46,243)</u>
Cash flows from investing activities		
Interest received	3	-
Purchase of property, plant and equipment	(1,875)	(34,209)
Net cash used in investing activities	B <u>(1,872)</u>	<u>(34,209)</u>
Cash flows from financing activities		
Net cash provided by financing activities	C <u>-</u>	<u>-</u>
Overall cash used in all activities	A+B+C <u>(54,505)</u>	<u>(80,452)</u>
Cash movements		
Change in cash and cash equivalents from activities in the year ended 31 March 2019	(54,505)	(80,452)
Cash and cash equivalents at 1 April 2018	78,000	158,452
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash at bank and in hand less overdrafts at 31 March	<u>23,495</u>	<u>78,000</u>

The Prison Opticians Trust

Cash Flow Statement for the year ended 31 March 2019 - Continued

Reconciliation of net expenditure to net cash flow from operating activities

Net expenditure as shown in the Statement of Financial Activities	(90,516)	(42,231)
Adjustments for :-		
Depreciation charges	21,065	21,201
Write downs of investments	-	-
Net (gains)/losses on investment assets	-	-
Dividends, interest and rents from investments	(3)	-
(Increase)/decrease in stocks	(279)	6,000
(Increase)/decrease in debtors	(5,426)	49,166
Increase/(decrease) in creditors, excluding loans	22,526	(80,379)
Net cash used in operating activities	A	
	<u>(52,633)</u>	<u>(46,243)</u>
Analysis of cash and cash equivalents		
	2019	2018
	£	£
Cash in hand at for the year ended 31 March 2019	23,494	78,000
Notice deposits - (less than 3 months)	-	-
Total cash and cash equivalents	<u>23,494</u>	<u>78,000</u>

The Prison Opticians Trust

Notes to the Accounts for the year ended 31 March 2019

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

The Prison Opticians Trust constitutes a public benefit entity as defined by FRS 102.

Risks and future assumptions

The charity is a public benefit entity.

The judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies that have the most significant effect on the amounts recognised in the accounts;

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period; and

In respect of those assets and liabilities where there is a significant risk of material adjustment within the next reporting period, the notes must include details of their nature and their carrying amount as at the end of the reporting period.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

The Prison Opticians Trust

Notes to the Accounts for the year ended 31 March 2019

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Estimation techniques used in apportioning costs - give details

Policies relating to assets, liabilities and provisions and other matters.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	20% straight line
Fixtures and fittings	15% reducing balance

A regular annual review of the likelihood of asset impairment is undertaken.

The Prison Opticians Trust

Notes to the Accounts for the year ended 31 March 2019

Stocks and work in progress

Stock is valued at the lower of cost and net realisable value.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

5 Net (deficit)/surplus before tax in the financial year

	2019	2018
	£	£
The net (deficit)/surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	21,065	21,201

The Prison Opticians Trust

Notes to the Accounts for the year ended 31 March 2019

6 Staff costs and emoluments

<i>Salary costs</i>	2019 £	2018 £
Gross Salaries excluding trustees and key management personnel	-	9,350
Total salaries, wages and related costs	-	9,350

<i>Numbers of full time employees or full time equivalents</i>	2019	2018
The average number of total staff employed in the year was	-	1
The estimated full time equivalent number of all staff employed in the year was	-	1

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	-	1
The estimated full time equivalent number of all staff employed as above	-	1

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

10 Tangible fixed assets

	Plant & Machinery £	Fixtures and fittings £	Total £
Cost			
At 1 April 2018	95,811	15,914	111,725
Additions	1,492	383	1,875
At 31 March 2019	97,303	16,297	113,600
Depreciation			
At 1 April 2018	40,752	4,362	45,114
Charge for the year	19,303	1,762	21,065
At 31 March 2019	60,055	6,124	66,179
Net book value			
At 31 March 2019	37,248	10,173	47,421
At 31 March 2018	55,059	11,552	66,611

11 Stocks & Work in Progress

	2019 £	2018 £
Stocks	279	-
	279	-

Analysis of the carrying value of stocks and work in progress by activities

<i>Activity</i>	<i>Work in Progress</i>		<i>Stocks</i>	
	2019 £	2018 £	2019 £	2018 £
Raw materials	-	-	279	-
	-	-	279	-

The Prison Opticians Trust

Notes to the Accounts for the year ended 31 March 2019

12 Debtors

	2019	2018
	£	£
Trade debtors	16,846	8,936
Prepayments and accrued income	-	454
Other debtors	7,326	9,356
	<u>24,172</u>	<u>18,746</u>

13 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	5,380	-
Accruals	2,500	436
Amounts owed to group undertakings and undertakings in which the charity has a participating interest	14,490	-
Other creditors	592	-
	<u>22,962</u>	<u>436</u>

14 Income and Expenditure account summary

	2019	2018
	£	£
At 1 April 2018	162,921	205,152
Loss after tax for the year	(90,516)	(42,231)
At 31 March 2019	<u>72,405</u>	<u>162,921</u>

15 Related party transactions

During the year the charity purchased locum services is nil (2018: £45,225) from KSTB Optical Limited, a company controlled by Kamalpreet Singh Bains BSC Optom (trustee).

During the year the charity purchased locum services is nil (2018: £32,025) from NSC Optical Limited, a company controlled by Sukhraj Singh Chahil BSC Optom (trustee).

During the year the charity purchased management fees, sale of equipment and termination of contract financial settlement is nil (2018: £236,583 from ICNCR Limited, a company controlled by Tanjit Dosanjh (general manager).

16 Particulars of how particular funds are represented by assets and liabilities

At 31 March 2019	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	47,421	-	-	47,421
Current Assets	47,945	-	-	47,945
Current Liabilities	(22,962)	-	-	(22,962)
	<u>72,404</u>	-	-	<u>72,404</u>
At 1 April 2018	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	66,611	-	-	66,611
Current Assets	96,746	-	-	96,746
Current Liabilities	(436)	-	-	(436)
	<u>162,921</u>	-	-	<u>162,921</u>

The Prison Opticians Trust

Notes to the Accounts for the year ended 31 March 2019

17 Change in total funds over the year as shown in Note 16 , analysed by individual funds

	Funds brought forward from 2018	Movement in funds in 2019	Transfers between funds in 2019	Funds carried forward to 2020
	£	See Note 18 £	See Note 19	£
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	162,921	(90,516)	-	72,405
Total unrestricted and designated funds	162,921	(90,516)	-	72,405
Total charity funds	162,921	(90,516)	-	72,405

18 Analysis of movements in funds over the year as shown in Note 17

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2019 £	2019 £	2019 £	2019 £
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	26,443	(116,959)	-	(90,516)

Gains and losses are detailed in notes 0,0, 0, 0 and 0

19 Details of transfers between funds in the year as shown in Note 17

The transfers shown in note 17 above are:-	2019
	£
To/(from) Unrestricted Revenue Funds in accordance with the accounting policy Accounting for capital grants and fixed asset funds'.	(19,190)
Transfers to/(from) Unrestricted Funds to cover deficits on Restricted Funds or when funds are lawfully reallocated	19,190
Net transfers	-

20 Ultimate controlling party

The charity is under the control of its legal members.

The Prison Opticians Trust

Detailed analysis of income and expenditure for the year ended 31 March 2019 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

21 Donations and Legacies

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Revenue grants and donations from non public bodies				
The Triangle Trust	9,440	-	9,440	20,000
The Monument Trust	-	-	-	-
Total private sector revenue grants	9,440	-	9,440	20,000
Total Donations and Legacies	A1 9,440	-	9,440	20,000

22 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Primary purpose and ancillary trading				
Prison contracts	17,000	-	17,000	656,795
Total Primary purpose and ancillary trading	17,000	-	17,000	656,795

23 Total Income from charitable activities

	Current year Unrestricted Funds £ 2019	Current year Restricted Funds £ 2019	Current year Total Funds £ 2019	Prior Year Total Funds £ 2018
Total income from charitable trading	17,000	-	17,000	656,795
Total from charitable activities	A2 17,000	-	17,000	656,795

The Prison Opticians Trust

Detailed analysis of income and expenditure for the year ended 31 March 2019 as required by the SORP 2015

24 Investment income

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2019	2019	2019	2018
	£	£	£	£
Bank Interest Receivable	3	-	3	-
Total investment income	A4 3	-	3	-

25 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2019	2019	2019	2018
	£	£	£	£
Training of individuals	7,514	-	7,514	34,972
Prison contracts - spectacle manufacture	179	-	179	66,836
Prison contracts - eye tests	525	-	525	308,477
Total direct spending	B2a 8,218	-	8,218	410,285

26 Support costs for charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2019	2019	2019	2018
	£	£	£	£
Employee costs not included in direct costs				
Salaries - Administrative staff	-	-	-	9,350
General manager	65,833	-	65,833	222,583
Travel and subsistence	929	-	929	8,423
Staff training	1,083	-	1,083	1,430
Meals and entertainment	78	-	78	482
Premises Expenses				
Rent expense	10,000	-	10,000	13,934
Light heat and power	1,130	-	1,130	3,805
Cleaning and waste management	282	-	282	342
Administrative overheads				
Telephone, fax and internet	969	-	969	1,034
Stationery and printing	665	-	665	1,344
Subscription & membership fee	502	-	502	746
Equipment expenses	1,356	-	1,356	1,460
Computer & internet expenses	291	-	291	652
Motor expenses	-	-	-	4,562
Insurance	-	-	-	1,306
Sundry expenses	782	-	782	332
Equipment, repairs, expenses and	237	-	237	5,132
Licences & Permits	-	-	-	35
Office expenses	248	-	248	216
Car Parking	177	-	177	150

The Prison Opticians Trust

Detailed analysis of income and expenditure for the year ended 31 March 2019 as required by the SORP 2015

Professional fees paid to advisors other than the auditor or examiner

Accountancy fees other than examination or audit fees	2,500	-	2,500	4,000
Other legal and professional	166	-	166	4,424
Bookkeeping services	422	-	422	1,798

Financial costs

Bank charges	26	-	26	-
Depreciation & Amortisation in total for the	21,065	-	21,065	21,201

Support costs before reallocation	108,741	-	108,741	308,741
------------------------------------------	----------------	----------	----------------	----------------

Total support costs	108,741	-	108,741	308,741
----------------------------	----------------	----------	----------------	----------------

The basis of allocation of costs between activities is described under accounting policies

27 Total Charitable expenditure

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2019	2019	2019	2018
	£	£	£	£
Total direct spending	B2a 8,218	-	8,218	410,285
Total support costs	B2d 108,741	-	108,741	308,741
Total charitable expenditure	B2 116,959	-	116,959	719,026

The Prison Opticians Trust

Activity analysis of Income and expenditure for the for the year ended 31 March 2019

This analysis is classified by activity and not by conventional nominal descriptions.

28 Analysis of income by activity

	SOFA ref	2019 £	2018 -
Activity			
Income from charitable activities			
Prison contracts		17,000	656,795
Total Income from charitable activities	A2	17,000	656,795
Summary of Total Income, including the items above			
Charitable activities	A2	17,000	656,795
Donations & Legacies	A1	9,440	20,000
Investment income	A4	3	-
Total income as shown in the SOFA	A	26,443	676,795
Categories of income			
Income from exchange transactions		26,443	676,795

29 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2019 £	2019 £	2019 £	2019 £	2018 £
Prison contracts					
Direct costs	8,218	-	-	8,218	410,285
Employee costs not included in direct co:	-	67,923	-	67,923	242,268
Premises expenses	-	11,412	-	11,412	18,081
Administrative overheads	-	5,228	-	5,228	16,969
Professional fees	-	3,088	-	3,088	10,222
Financial costs	-	21,091	-	21,091	21,201
Total Prison contracts	8,218	108,742	-	116,960	719,026
Summary of charitable costs by activity					
	Direct costs	Support costs	Grant funding of activities	Total	Total
	2019 £	2019 £	2019 £	2019 £	2018 £
Total Prison contracts	8,218	108,742	-	116,960	719,026
Total charitable expenditure	8,218	108,742	-	116,960	719,026

The Prison Opticians Trust

Activity analysis of Income and expenditure for the for the year ended 31 March 2019

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 27

Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Prison contracts	-	21,091	67,923	19,728	108,742

30 Carrying value of work in progress analysed between activities

	2019 £	2018 £
Prison contracts	279	-
	<u>279</u>	<u>-</u>