

COMPANY REGISTRATION NUMBER: 08248116
CHARITY REGISTRATION NUMBER: 1150445

HALOW (Birmingham)
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2019

HALOW (Birmingham)

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2019

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HALOW (Birmingham)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)*(continued)*

Year ended 31 March 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name	HALOW (Birmingham)
Charity registration number	1150445
Company registration number	08248116
Principal office and registered office	St Martin's Youth & Community Centre Gooch Street Highgate Birmingham B5 7HE

The trustees

Jane Catherine Bailey	
Bridget Kathleen Cameron, BEM	
Veronica Naomi Palgrave	
John Marshall	(Resigned 5 July 2018)
Michael Gordon-Smith	(Appointed 14 August 2019)

Company secretary	Louise Spink
Independent examiner	Hannah Justice ACA FCCA BSN Associates Limited 3B Swallowfield Courtyard Wolverhampton Road Oldbury West Midlands B69 2JG

Bankers	TSB Bank 63 – 65 Cape Hill Smethwick West Midlands B66 4SF
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HALOW (Birmingham)

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Trustees' Annual Report (Incorporating the Director's Report)(continued)

Year ended 31 March 2019

Structure, governance and management

Trustee board members are appointed for a year and normally offer themselves for re-appointment on an annual basis. New members may be persons personally recommended by a trustee board member and then invited for interview by the rest of the board. Alternatively, the post is advertised through local or national networks and media outlets with shortlisting followed by interview. There are procedures available for the induction and training of new board members.

The board formally meets approximately seven times per year. The previous meeting's minutes, visitors' centre reports, HR report and a finance report are issued to members before the meeting. As well as the members, the Finance Manager attends the meetings. The Charity engages a Finance Manager; Louise Spink, on a part time basis and who is self-employed. Louise Spink has been appointed Company Secretary for the charitable company and, as part of this role, ensures regulatory compliance is maintained. Also invited as minute taker, is our part-time Charity Administrator Debbie Johnson.

Key members of staff include:-

Sharon Earley & Najuma Mohammed	Co-Managers, HMP Birmingham Visitors' Centre
Daniel Daly	Manager, HMP Oakwood Family Pathway Centre
Robert Wild	Deputy Manager, HMP Oakwood Family Pathway Centre

Prison Visitors' Centres/ Family Pathway Centres are run on a day-to-day basis by the centre managers. All strategic issues, HR matters and finance are decided by the board with the assistance of the P/T Finance Manager. A regional managers meeting is held up to three times a year. The part-time Charity Administrator, Debbie Johnson, works flexibly on a self-employed basis and, as part of her role, takes Board Minutes. The charity will be appointing a P/T Funding Manager shortly.

Provision of Charitable Activities for the Public Benefit

HALOW (Birmingham) expends all grants and donations received on activities that are undertaken solely for the public benefit. The charity offers a range of support to prisoners', their families and significant others, provided primarily at prison visitors' centres. The charity also undertakes an annual visitors' customer satisfaction survey and regular service user forum meetings. These enable the charity to gauge needs, assess customer satisfaction and work with prisons to respond accordingly.

Public Benefit Statement

The Trustees consider they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and activities

The Charitable Objects of HALOW (Birmingham) are:

- a) To relieve poverty, sickness and distress among prisoners, ex-offenders, their families and significant others in need of such relief, and
 - b) To advance education by research into domestic issues relating to prisoners, ex-offenders, their families and significant others, and disseminate the useful results of such research.
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HALOW (Birmingham)

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Trustees' Annual Report (Incorporating the Director's Report)(continued)

Year ended 31 March 2019

Mission Statement: 'Our mission is to support prisoners, their children, families and significant others to build, develop and strengthen their relationships and well-being'.

HALOW (Birmingham) provides services to prisoners, their families and significant others to help them overcome the problems faced by having a family member in custody. The purpose of the charity is to provide services which are important in the maintaining of good family ties as part of the successful rehabilitation of offenders. Lord Farmer's 2017 Report in 2017 emphasises the importance of this approach.

The charity believes these services can best be provided through the process of running Prison Visitors' Centres/ Family Pathway Centres and during the 2018/19 financial year operated in two prisons, namely:-

HMP Birmingham (Winson Green)
HMP Oakwood

Services provided will normally include:-

- A welcoming reception to the visitors at the centre
- Induction for all new visitors
- Advice on visits booking and attendance procedures
- Booking in of domestic visitors
- Booking in of legal visitors (HMP Birmingham only)
- Providing a helpline for visitors
- A listening ear for visitors' concerns
- A specialist Family Support Worker to assist with prisoner/family problem-solving
- Quarterly Open Days for local agencies to make contact
- Access to a tea bar/cafe selling freshly prepared refreshments (or vending machines)
- Information is provided on a variety of topics including the visiting experience, transport, welfare benefits, debt management, housing, health issues, drug & alcohol abuse, children's services etc. by way of leaflets, display boards, group forums and one to one customised information
- Unsupervised activities for children and young people and support for their parents.
- Changes of clothes for children having accidents.
- Baby changing facilities.
- Informal book exchange library.
- Christmas presents and activities for children.
- Celebration events take place throughout the year to highlight religious festivals & other major events, e.g. Veterans 100 year celebration commemorating the end of the First World War.
- Provision of children's activities for Family Days.
- Provision of participative activities for extended 'Family Interventions' visits, e.g. Partner Days (Oakwood only).
- Workshops for external agencies to raise awareness of issues facing prisoners' families (Oakwood only).
- Programmes for prisoners' and partners to strengthen parenting skills and relationships during imprisonment, e.g. Jolly Tots & The Family Links Nurturing Programme (Oakwood only).
- Liaison with prison resettlement units about opportunities for job training available for prisoners.

Children's Workers and Family Support Workers are employed at both centres, funded primarily by Charitable Trust grants (for example, BBC Children in Need, the Esmée Fairbairn Foundation, Awards for All, the Hilden Trust, the Kelly Family Trust and the W.A. Cadbury Charitable Trust).

In addition, the centre staff and volunteers carry out numerous administrative tasks to meet the requirements of the prison and to maintain the day to day running of the centre.

HALOW (Birmingham)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Chairperson's Report

During the past year HALOW (Birmingham) continued to work with HM Prison and Probation Service (HMPPS) and G4S operating support services in both centres. Trustee Board members (primarily the Chair and Vice Chair) meet regularly with senior prison managers to monitor service delivery and review progress.

In May 2017 HALOW (Birmingham) was awarded a place on the HMPPS National Framework Agreement (2017-2021) 'Provision of HMPPS Prisoner, Family and significant other support services'. This award was made after a complex and robust tendering process. This achievement means HALOW (Birmingham) is recognised by HMPPS as compliant across key areas of quality assurance, governance and financial management and hence eligible to tender for relevant services. The need to subsidise contract price continues to be a priority for smaller providers like ourselves. Having been unsuccessful in retaining a service contract for 4 prison establishments in 2017, we subsequently transferred these staff to a large national provider. This has impacted on financial income and expenditure this year and turnover has consequently reduced. Our business model (that proved successful over many years), included use of surpluses from refreshment services to fund value-added support for families. As a Board we have been addressing sustainability this year and, with the help of a Lloyds Bank Foundation ENABLE grant, have been supported by social enterprise business consultants iSE (www.i-se.org.uk) to enhance governance, develop an IMPACT Report and shape a new 3-year Strategic Plan.

During the year we continued to deliver our existing Service Level Agreements (SLAs) with G4S to operate the visitors' centre at HMP Birmingham and the Family Pathway Centre at HMP Oakwood. Both Service Level Agreements are reviewed annually. We aim to employ 2 FTE Children's Workers and a FT Family Support Worker at each centre, funded through charitable trusts. *

During 2018/19 Bridget Cameron (Vice-Chair) has continued to lead on the programme of staff training and development across both Visitors' Centres. Bridget has continued to provide senior management supervision as HR Lead Trustee and the Designated Safeguarding Officer for the Charity. We are committed to cascading good practice between centres and encouraging innovation via cross-centre visits and communication. During the year we continued to ensure that the Employees' Handbook and Policies and Procedures are kept up-to-date in line with legislative changes. The charity also continued to implement a rolling programme of staff training. The charity has continued to use a national legal/HR company for professional guidance.

The charity has worked hard this year to sustain sources of income, in particular, through grant income from charitable activities. The majority of grants contribute towards children's activities and family support work as contracts/SLAs do not normally include these 'value-added' enrichment activities. During 2018/19 we continued to receive support from the Esmee Fairbairn Foundation (to March 2019), BBC Children in Need, the W.A. Cadbury Charitable Trust, the Hilden Charitable Trust, the James Beattie Charitable Trust and the C & A Charitable Trust, with a new Awards for All grant and several smaller donations. In December 2018 we established a partnership with Newbigin Community Trust (NCT) with their volunteers operating a community hub café and advocacy for the community and visitors alike. We are also grateful to Water Orton Methodist Church for contributions of items for our community fundraising, the Real Junk Food Project Central (RJFPC) 'Pay as You Feel' Tuesday meals at HMP Birmingham Visitors' Centre, St Michael's Church in Solihull for children's Christmas gifts at HMP Birmingham and Penkridge Methodist Church which regularly support HMP Oakwood Family Pathway Centre with volunteers, fundraising and donations of children's work resources.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Staff and volunteers have continued to work collaboratively with prisons to assist with new initiatives to further strengthen family ties, for example, extended 'Family Day' visits and the innovative 'Jolly Tots' programme for prisoners with children 0-2 years at HMP Oakwood (monthly family sessions).

During the twelve- month period April 2018 – March 2019 our staff and volunteers supported **124,562** visitors; these included **22,025** children (18% of the total) in total. At HMP Oakwood staff facilitated some **154** family visits either by attendance and helping on the day or providing a session of arts and crafts. At HMP Birmingham staff ran **15** extended Family Day events, normally held monthly; these included themed activities (for example, Black History month) and input from visiting agencies. At both prisons visits take place 7 days a week including 3-4 evening sessions. We are immensely grateful to our staff and volunteer teams for their dedication and hard work during the year.

Achievements and performance

See Chairpersons' Report and Finance Review.

Impact - Making a Difference: We conduct an Annual 'Customer Satisfaction' Survey, continuously engage with our service users informally and adapt delivery to address any unmet needs where this is possible within the prison environment. The friendliness, helpfulness and quality of service provided by our staff and volunteers were rated as 'excellent' by some 95% of visitors in the survey.

Comments made by prisoners' families include:

"I came for the first time and was very nervous and teary; the girls reassured me and guided me through the procedure. I felt warmth from inside them and felt I could ask them anything"

"I want to thank you for running the best visitor centre in the country. The staff are so friendly and helpful and are concerned for both the prisoner and myself. I can't thank you all enough."

"My children absolutely love doing the activities and playing in the play area. Staff are amazing"

"Sandra – wonderful friendly lady. Look forward to seeing her every visit. She is so helpful and has been such a comfort to me through my sons imprisonment. I can tell her anything."

We often never know the impact of a quiet word from one of our staff after a stressful visit. Prisoners families and significant others tell us how much they value the support our teams of experienced staff and trained volunteers provide. These brief conversations can have an impact. Instead of going home worried and anxious, the family member has been listened to and his/her concerns alleviated. We continued to document Case Studies to evidence the impact of the support given to prisoners and their families over time.

With the support of Lloyds Bank Foundation ENABLE Programme we will shortly be publishing our first IMPACT Report for 2018/19.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Children Visiting Prison

A recent Report estimated some 312,000 children a year in England and Wales are affected by parental imprisonment. Our children's activities and specialist teams of Children's Workers at both prisons are hugely valued by prisoners and family members. Our programme of activities for children leads to:

- Maintained and improved family relationships
- Reduced stress/anxiety levels
- Increased resilience
- Provides fun and interest in what could be seen as a stressful and daunting experience

Contribution to Government Policy: We continued as an active member of CLINKS, contributing to national research and attending Ministry of Justice briefings where changes to the range of services needed to strengthen family ties during imprisonment were explored. We are also a member of NCVO and contribute to their research as and when relevant to our service provision.

Financial review

The financial year of 2018/19 was a year of consolidation and investment in the services. In addition to contracted Visitors' Centre welcoming and processing activities, the charity continued to invest in value-added Family and Children Support posts in our two major prisons in the West Midlands mapping the way forward. Charitable Trusts grants have, this year, been supplemented by some use of charity reserves to ensure continuity of service.

Income generated for the year of £360,844 decreased mainly due to the reduction in contract and tea bar income resulting from the loss of the Ministry of Justice contract for visitors' services at 4 prison sites following procurement (October 2017). However, the contract loss enabled HALOW (Birmingham) to increase investment in direct support services for families at HMPs Birmingham and Oakwood with immediate effect; consolidation of charitable trust grants and the use of some reserves enabled posts to be secured quickly. This is shown with staffing costs being 85% of all costs (compared to 76% in 17/18).

A major training programme for staff during the year included tri-annual safeguarding requirements resulted in the training costs increasing to £8,128 in 18/19 (from £615 the previous year); this was largely funded from retained unrestricted funds as part of the future investment in the high-quality service HALOW (Birmingham) offer.

HALOW continues to be supported by BBC Children in Need with a large grant being awarded for 3 years starting in 2019-20 enabling the good work and investment in supporting prisoners' children services to be carried on for the foreseeable future. Smaller grants continue to be sought and kindly awarded by charitable trusts to support the new posts envisaged for the coming years.

Even with the reduced number of prisons with whom HALOW (Birmingham) has direct involvement, the static costs of the charity remain unchanged, or have even increased, due to inflation like rent and insurances. HALOW (Birmingham) continue to be vigilant in monitoring overhead costs to keep to a minimum.

The retained funds have been reduced by the end of 18/19 to £143,164 with the investment of funds being in the high quality and future of services provided by HALOW (Birmingham).

HALOW (Birmingham)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Reserves Policy

The total unrestricted reserves at March 2019 are £125,682. We aim to hold at least three months operational costs as our minimum reserve fund and the Trustee Board will continue to monitor and maintain this over the coming years.

Going Concern

HALOW (Birmingham) Trustee Board has a reasonable expectation that the charity will be able to continue as a going concern for the twelve month period from the date of signing the 2018 Report (e.g. November 2019). The Board remains vigilant in reviewing available income and adjusting expenditure to keep within our means.

Plans for future periods

HALOW (Birmingham) has over 30 years experience providing support to prisoners' families and a reputation for consistent, high quality services that we recognise is due largely to the immense dedication of our managers, support staff and volunteers. During 2018/19 staffing costs again rose (including Automatic Enrolment Pension, Minimum and Living Wage commitments, and small Cost of Living uplift). As a Board we recognise the challenge of meeting our costs but have been encouraged by the positive and generous support we have received from charitable trusts this year.

Over the past year we have continued to work hard to stabilise our reserves despite the challenge of rising costs. During the year, we have begun a 12-month project funded by Lloyds Bank Foundation ENABLE programme that includes a drive to increase our Board membership and support with producing an IMPACT Report and new, 3-year Strategic Plan.

We continue to explore diversifying our activities to include not only visitors' centres but other important aspects of the work relating to prisoners and their families, upon release. There is much work to be done to support prisoners, families and significant others in the community, with opportunities to work collaboratively. We particularly wish to develop work that can aid employment and work experience to those with lived experience of the criminal justice system as their expertise has long been overlooked. We are greatly looking forward to developing new projects in this area.

Our future prospects present a challenging and exciting picture going into 2019/20; the Board of Trustees acknowledge these challenges and the need to continuously examine and review the viability of our work in order to move forward. We feel that the future could be forward thinking and proactive. We should be able to support new initiatives and avenues of work with a lasting positive effect on prisoners, ex-prisoners, their families and significant others if we face this challenge head on.

HALOW (Birmingham)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Risks

The charity is exposed to three major areas of risk – security, health and safety, and commercial risks. All employees and volunteers in the visitors' centres (who may on occasions work within the prison boundaries) are subject to Disclosure and Barring Service (DBS) enhanced checks. They also complete the prison vetting. Employees attend Safeguarding, First Aid at Work and Food Hygiene courses.

As part of our Strategic Review process we consider in detail most of the risks we believe we face. The key ones are as follows:-

Diversity of Funding Sources – We have identified over reliance on public sector contracts as a potential risk as contracts are time bound and subject to regular tendering. To help mitigate risk we have increased our efforts to approach charitable trusts for grant aid and made more contacts with local employers to expand our potential pool of Board members and also to maximise the benefits offered through Corporate Social Responsibility (CSR).

Key Employees and Trustees – We remain very dependent on certain members of our Trustees team for regular management procedures and would find these very difficult to replace in the short term. To counter risk we take active steps to increase the number of our trustees, including advertisement locally, regionally and nationally.

Legal Risk – Employment and work place legislation has expanded considerably over recent years. It is challenging for charity trustees in the sector to keep up to date with such changes on a part time voluntary basis. We thus take out an annual contract for employment legislative advice and legal cover from a leading national business services provider. This provides us with independent advice on both employment and health and safety matters.

Statement of Trustees Responsibilities

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year which comply with the regulations made under that Act.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at anytime the financial position of the Charity. 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' annual report and the strategic report were approved on 29th November 2019 and signed on behalf of the board of trustees by:



Jane Catherine Bailey
Trustee

HALOW (Birmingham)

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of HALOW (Birmingham)

Year ended 31 March 2019

I report to the trustees on my examination of the financial statements of HALOW (Birmingham) ('the charity') for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

HALOW (Birmingham)

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of HALOW (Birmingham)

(continued)

Year ended 31 March 2019

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 accounts to be reached.

Hannah Justice ACA FCCA,
Hannah Justice ACA FCCA
Independent Examiner

BSN Associates Limited
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

29 November 2019

HALOW (Birmingham)

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2019

		Unrestricted funds £	2019 Restricted funds £	Total funds £	2018 Total funds £
	Note				
Income from					
Donations and grants	5	2,271	50,030	52,301	92,074
Charitable activities	6	308,079	—	308,079	478,231
Investment income	7	464	—	464	319
Total income		<u>310,814</u>	<u>50,030</u>	<u>360,844</u>	<u>570,624</u>
Expenditure					
Expenditure on Charitable activities	10	335,637	71,184	406,821	535,163
Total expenditure		<u>335,637</u>	<u>71,184</u>	<u>406,821</u>	<u>535,163</u>
Net (expenditure)/income and net movement in funds		<u>(24,823)</u>	<u>(21,154)</u>	<u>(45,977)</u>	<u>35,461</u>
Reconciliation of funds					
Total funds brought forward		125,682	63,459	189,141	153,680
Total funds carried forward		<u>100,859</u>	<u>42,305</u>	<u>143,164</u>	<u>189,141</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

HALOW (Birmingham)

Company Limited by Guarantee

Statement of Financial Position

31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	15	1,193	592
Current assets			
Debtors	16	59,385	81,211
Investments	17	20,889	20,889
Cash at bank and in hand		84,196	101,959
		<u>164,470</u>	<u>204,059</u>
Creditors: amounts falling due within one year	18	22,499	15,510
Net current assets		<u>141,971</u>	<u>188,549</u>
Total assets less current liabilities		<u>143,164</u>	<u>189,141</u>
Funds of the charity			
Restricted funds		42,305	63,459
Unrestricted funds		<u>100,859</u>	<u>125,682</u>
Total charity funds	19	<u>143,164</u>	<u>189,141</u>

For the year ending 31 March 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 29 November 2019, and are signed on behalf of the board by:



Jane Catherine Bailey
Trustee



Bridget Kathleen C Cameron, BEM
Trustee

HALOW (Birmingham)

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities		
Net (expenditure)/income	(45,977)	35,461
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	312	158
Other interest receivable and similar income	(464)	(319)
Loss on disposal of tangible fixed assets	—	718
<i>Changes in:</i>		
Trade and other debtors	21,826	(18,595)
Trade and other creditors	6,989	(14,252)
Cash generated from operations	(17,314)	3,171
Interest received	464	319
Net cash (used in)/from operating activities	(16,850)	3,490
Cash flows from investing activities		
Purchase of tangible assets	(913)	(750)
Purchases of other investments	—	(319)
Net cash used in investing activities	(913)	(1,069)
Net (decrease)/increase in cash and cash equivalents	(17,763)	2,421
Cash and cash equivalents at beginning of year	101,959	99,538
Cash and cash equivalents at end of year	84,196	101,959

HALOW (Birmingham)

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Notes to the Financial Statements

Year ended 31 March 2019

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is St Martin's Youth & Community Centre, Gooch Street, Highgate, Birmingham, B5 7HE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

The Charity is exempt from taxation on income and gains on investments.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Fund accounting

In order to differentiate the availability of funds they are categorised according to the following definitions:

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and include designated funds which represent amounts set aside for specific purposes.

Restricted funds are subjected to restrictions on expenditure imposed by the donor.

Incoming resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured accurately.

Voluntary income is recognised as above except where the income is subject to conditions that require a level of performance before the charity is entitled to the funds, when the income is deferred and not recognised until either those conditions are met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable those conditions will be fulfilled in the reporting period.

Grants specifically for the provision of services to be provided as part of the charitable activities or services to beneficiaries are accounted for on the basis of amounts receivable for the year.

Interest arising on cash balances is included when receivable and the amount can be measured reliably by the Charity. This is normally upon notification of the interest paid or payable by the bank.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement is required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on the accruals basis, inclusive of any value added tax which cannot be recovered.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office Equipment - 15% - 33% reducing balance

4. Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and grants

	Unrestricted Funds £	Restricted Fund £	Total Funds 2019 £
C & A Taylor Trust	-	2,000	2,000
BBC Children in Need	-	15,845	15,845
Lloyds Foundation	-	15,000	15,000
Kelly Family Charitable Trust	-	5,000	5,000
Cash for Clothes	-	189	189
James Beattie Charitable Trust	-	2,000	2,000
Awards for All	-	9,996	9,996
Other Income	1,321	-	1,321
Smaller Grants	950	-	950
	<u>2,271</u>	<u>50,030</u>	<u>52,301</u>

HALOW (Birmingham)

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

5. Donations and grants *(continued)*

	Unrestricted Funds £	Restricted Fund £	Total Funds 2018 £
C & A Taylor Trust	-	2,000	2,000
BBC Children in Need	-	33,268	33,268
Esmee Fairbairn Foundation	-	30,000	30,000
Hilden Charitable Trust	-	5,000	5,000
W A Cadbury Charitable Trust	-	11,000	11,000
Cash for Clothes	-	1,315	1,315
James Beattie Charitable Trust	-	2,000	2,000
Baron Davenport's Charity	-	1,000	1,000
Wolves Aid (Wolves Charitable Trust)	-	3,178	3,178
Pauline Meredith Trust	-	500	500
Roughley Trust	-	2,500	2,500
Smaller Grants	313	-	313
	<u>313</u>	<u>91,761</u>	<u>92,074</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Visitor's centre service contracts	290,295	290,295	350,280	350,280
Visitors' centres tea bars	17,784	17,784	127,951	127,951
	<u>308,079</u>	<u>308,079</u>	<u>478,231</u>	<u>478,231</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest receivable	464	464	319	319

HALOW (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2019

8. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Staff and related costs	286,424	68,203	354,627
Rent and rates	2,950	—	2,950
Stationery and office expenses	2,468	—	2,468
Insurance	755	—	755
Training and conferences	8,128	—	8,128
Independent examination	2,400	—	2,400
Telephone and internet	1,254	—	1,254
Christmas and other activities	—	1,334	1,334
Depreciation	312	—	312
Provisions	9,062	—	9,062
Volunteers expenses	2,602	139	2,741
Trustees expenses	2,915	—	2,915
Miscellaneous	16,197	1,508	17,704
Bank charges	170	—	171
	<u>335,637</u>	<u>71,184</u>	<u>406,821</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Staff and related costs	364,281	46,728	411,009
Rent and rates	2,400	—	2,400
Stationery and office expenses	1,868	1,372	3,240
Insurance	895	68	963
Training and conferences	615	460	1,075
Independent examination	2,220	—	2,220
Telephone and internet	950	—	950
Christmas and other activities	—	4,462	4,462
Depreciation	158	—	158
Provisions	73,201	—	73,201
Volunteers expenses	642	3,576	4,218
Trustees expenses	2,636	—	2,636
Miscellaneous	9,511	11,868	21,379
Bank charges	1,477	—	1,477
Cash difference written off	5,057	—	5,057
Loss on disposal of tangible fixed assets	718	—	718
	<u>466,629</u>	<u>68,534</u>	<u>535,163</u>

HALOW (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

A breakdown of the unrestricted fund expenditure by activity can be seen below:

	Tea Bars	Visitors Centre	Governance	Total unrestricted fund expenditure 2019
	£	£	£	£
Staff and related costs	-	272,516	13,908	286,424
Rent and rates	-	2,950	-	2,950
Stationery and office expenses	-	2,468	-	2,468
Insurance	-	755	-	755
Training and conferences	-	8,128	-	8,128
Independent examination	-	-	2,400	2,400
Telephone and internet	-	1,254	-	1,254
Depreciation	-	312	-	312
Provisions	9,062	-	-	9,062
Volunteers expenses	-	2,602	-	2,602
Trustees expenses	-	-	2,915	2,915
Miscellaneous	-	16,156	41	16,197
Bank charges	-	-	170	170
	<u>9,062</u>	<u>307,141</u>	<u>19,434</u>	<u>335,637</u>

	Tea Bars	Visitors Centre	Governance	Total unrestricted fund expenditure 2018
	£	£	£	£
Staff and related costs	-	342,366	21,915	364,281
Rent and rates	-	2,400	-	2,400
Stationery and office expenses	-	1,868	-	1,868
Insurance	-	895	-	895
Training and conferences	-	615	-	615
Independent examination	-	-	2,220	2,220
Telephone and internet	-	950	-	950
Depreciation	-	158	-	158
Provisions	73,201	-	-	73,201
Volunteers expenses	-	642	-	642
Trustees expenses	-	-	2,636	2,636
Miscellaneous	-	6,277	3,234	9,511
Bank charges	-	-	1,477	1,477
Cash difference written off	5,057	-	-	5,057
Loss on disposal of tangible assets	-	718	-	718
	<u>78,258</u>	<u>356,889</u>	<u>31,482</u>	<u>466,629</u>

HALOW (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

9. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	312	158
Loss on disposal of tangible fixed assets	—	718
Operating lease rental	2,950	2,400

10. Independent examination fees

	2019	2018
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	670	670
Other financial services	1,730	1,550
	<u>2,400</u>	<u>2,220</u>

11. Staff costs

Staff costs were analysed as follows:

	2019	2018
	£	£
Salaries and wages	330,465	385,523
Social security costs	15,487	17,660
Pension contributions	8,675	7,826
	<u>354,627</u>	<u>411,009</u>

The average head count of employees during the year was 21 (2018: 31).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

12. Trustee remuneration and expenses

The Trustees all give freely their time and expertise without any form of remuneration or other benefit. Four Trustees (2018: Four) received travel expenses during the year amounting to £1,341 (2018: £2,636).

HALOW (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

13. Tangible fixed assets

	Equipment £
Cost	
At 1 April 2018	750
Additions	913
At 31 March 2019	<u>1,663</u>
Depreciation	
At 1 April 2018	158
Charge for the year	312
At 31 March 2019	<u>470</u>
Carrying amount	
At 31 March 2019	<u>1,193</u>
At 31 March 2018	<u>592</u>

14. Debtors

	2019 £	2018 £
Trade debtors	49,308	80,803
Prepayments and accrued income	10,077	408
	<u>59,385</u>	<u>81,211</u>

15. Investments

	2019 £	2018 £
Other investments	<u>20,889</u>	<u>20,889</u>

Other investments relates to a bank fixed term bond.

16. Creditors: amounts falling due within one year

	2019 £	2018 £
Social security and other taxes	4,641	4,403
Other creditors	17,858	11,107
	<u>22,499</u>	<u>15,510</u>

HALOW (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

17. Analysis of charitable funds

Restricted funds

	Opening balances	Incoming resources	Outgoing resources	Closing balances
	£	£	£	£
C & A Taylor Charitable Trust	-	2,000	-	2,000
BBC Children in Need	11,698	15,845	(27,543)	-
Esmee Fairbairn Foundation	31,527	-	(15,218)	16,309
Lloyds Foundation	-	15,000	(6,000)	9,000
Hilden Charitable Trust	6,940	-	(6,940)	-
Kelly Family Charitable Trust	-	5,000	-	5,000
W A Cadbury Charitable Trust	10,000	-	(10,000)	-
Wolves Aid	794	-	(794)	-
Cash for Clothes	-	189	(189)	-
James Beattie Charitable Trust	-	2,000	(2,000)	-
Roughley Trust	2,500	-	(2,500)	-
Awards for All	-	9,996	-	9,996
	<u>63,459</u>	<u>50,030</u>	<u>(71,184)</u>	<u>42,305</u>

The restricted funds comprise the unexpired balances of donations and grants held on trust to be applied for specific purposes as follows:

BBC Children in Need – 2 grants funding for 2 P/T and 1 F/T children's workers (HMP Oakwood) to provide help and support for disadvantaged children and young people.

Esmee Fairbairn Foundation to meet the cost of salaries of family support workers to provide more intensive help to families of those imprisoned at HMP Birmingham.

The Hilden Charitable Fund for a family support assistant to help and support families with the impact of a loved one imprisoned.

The Kelly Family Charitable Trust to provide structured and semi structured activities for children and young people throughout the year when visiting Oakwood HMP.

Lloyds Foundation to meet the cost of bringing in external professional consultants to add to and strengthen the trustee board, scope out new areas of work supporting prisoners and their families upon release from prison.

W A Cadbury Charitable Trust for support for children visiting fathers at HMP Oakwood.

Roughley Trust for support for children and families visiting fathers at HMP Birmingham.

The James Beattie Charitable Trust towards a p/t childrens worker at HMP Oakwood.

Awards for All to meet the cost of a p/t childrens worker at HMP Oakwood.

Wolves Aid towards travel costs of volunteers.

HALOW (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	1,193	—	1,193
Current assets	99,666	42,305	141,971
Net assets	<u>100,859</u>	<u>42,305</u>	<u>143,164</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	592	—	592
Current assets	125,090	63,459	188,549
Net assets	<u>125,682</u>	<u>63,459</u>	<u>189,141</u>

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Not later than 1 year	<u>2,950</u>	<u>2,400</u>

20. Related parties

No trustee or other person connected with the charity had any personal interest in any contract or transaction entered into by the Charity during the year. The Trustees are not aware of any related party transactions requiring disclosure.