THE RIGHT COURSE

Annual report and financial statements
For seventeen months to
31st December 2021

Registered Charity Number: 1190520 (England & Wales)

THE RIGHT COURSE
REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 DECEMBER 2021

Contents

REFERENCE AND ADMINISTRATION DETAILS

Trustees *(2 year position)*
At date of approval of the financial statements

Chief Executive Officer – Consultant
Simon Sheehan
(appointed 3 May 2021)

Registered Name
The Right Course
Registered Charity No. 1190520
(England & Wales)

Principal office
The Right Course
49 Netherwood Road
London W14 0BL
United Kingdom

Tel: +44 7974 229 183
Email: info@therightcourse.org.uk
Website: therightcourse.org.uk

Accountants
Garrod Beckett & Co Ltd
Chartered Accountants
10 Town Quay Wharf, Abbey Road
Barking, Essex
IG11 7BZ

Bankers
CAF Bank Limited
25 Kings Hill Avenue
Kings Hill, West Malling,
Kent
ME19 4JQ

In this report and financial statements The Right Course is referred to as the "charity".

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees present their report together with the audited consolidated financial statements of The Right Course for the 17 months to the year ended 31 December 2021.

The Right Course is constituted as a Charitable Incorporated Organisation on 22 July 2020 and is a registered charity with the Charity Commission of England and Wales (No. 1190520).

TRUSTEES AND OTHER KEY MANAGEMENT PERSONNEL

The trustees consider that the board of trustees and the charities' part-time freelance CEO comprise the key management personnel of the charity who are in charge of directing and controlling the charity as well as running and operating it on a day-to-day basis.

The trustees who served during the period from 22 July 2020 to the date the report was approved are listed on page 2. Trustees hold office for a period of two years and may be re-appointed. New trustees are identified and nominated by existing members.

Trustees can hold positions with any of the charities partners however they remove themselves from any decision if there is a conflict of interest. The trustees are all unpaid volunteers. A trustee may receive reasonable and proper remuneration for professional services rendered to the charity and reasonable out of pocket expenses. No such payments were made during the year (as set out in note 5). Trustee Indemnity Insurance is in place and the premium is paid by the charity.

The Foundation has a formal procedure for inducting new trustees to ensure that they are fully familiar with history and current strategies and activities. Training is provided at the request of trustees. On an ongoing basis pertinent Charity Commission briefings as well as charity updates, including budget updates, are provided to all trustees.

The pay of the CEO is reviewed annually and normally increased in accordance with inflation. The remuneration is also bench-marked with similar charities to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles (see note 6).

ORGANISATION

The trustees meet bimonthly. Subcommittees are formed for specific functions, including finance. Whilst the strategic direction is decided by the trustees, the day-to-day decision-making process has been delegated to the CEO of the charity within specific parameters.

STAFF AND ADMINISTRATION

The charity has no direct staff. The trustees contract a certain amount of management and administrative assistance depending on workload. Management and administrative support is provided by the consultant Simon Sheehan, under the title of CEO to facilitate relationships.

PRINCIPAL FINANCIAL MANAGEMENT POLICIES
The charity prepares an annual budget, which is approved by the trustees. Bi-monthly accounts are prepared to ensure that variances from the budget are monitored. All payments are approved by the Trustees. Accounts are discussed at the trustee meetings.

CHARITABLE ACTIVITY
Within the principal objects laid down by the trustees, the focus of the charity's activities are on establishing training restaurants within prison environments to teach learners the skills and behaviours to gain employment upon release. Working with our partners to deliver The Right Course' Curriculum and Standard Operating Procedure, the restaurants offer an authentic experience for learners. By securing employment and accessing additional support, such as housing and travel assistance, we work to enable our learners to rebuild their own lives and determine their own future career, providing alternatives to crime, and therefore reducing reoffending rates.

FUNDRAISING POLICY
The charity does not use fundraising services, consultants or external professional fundraisers to undertake its fundraising activities. Additionally, no data is shared with or sold to any external agencies. The charity shares information about its charitable work and fundraising activities on social media. The charity does not undertake Direct Mail. The charity invites individuals and companies to attend events, usually through its business networks or via its supporters, but does not excerpt undue pressure to attend or donate. It doesn't approach or pressure vulnerable people to support its work. A complaints policy is in place and is accessible on the charity's website. No complaints were received and no failures to comply were identified in 2020 and 2021. The charity adheres to the Fundraising Code of Practice issued by the Fundraising Regulator.

Fundraising events carried out in aid of and on behalf of the charity are monitored by the Trustees, with regular meetings and contact during the preparation for, and clean up from, the event. All marketing materials and approaches are checked to comply with the Fundraising Code of Practice by the CEO and a profit and loss file is kept for large events. All related income and expenditure are reported to fundraising volunteers who organise an event on the Charity's behalf to ensure financial transparency and correct amounts raised.

INVESTMENT POLICY
There are no restrictions on the charity's power to invest. The trustees set the investment strategy after considering income requirements and the risk profile. The trustees do not consider high risk or speculative investments as being suitable to invest the charity's reserves and therefore avoid such types of investments. Due to current levels, reserves are held in cash in short-term deposits that can be accessed readily.

RESERVES POLICY
The trustees have approved a reserves policy. Its objective is to achieve a balance between the need to use voluntary income received to fulfil the charity's strategic objectives and the need to retain funds to give sufficient financial flexibility to protect the long-term future of the charity's operations and ensure stability of programme activity. The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately 12 months of unrestricted expenditure. The trustees consider that this level will provide sufficient funds to continue charitable activity and ensure that support and governance costs are covered whilst seeking new income.

RELATED PARTIES

A register is held by the charity of trustees, its key personnel and their related party's interests to ensure no conflict of interest with the work of the charity. This declaration is checked at every trustees' meeting.

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity are exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to manage those risks.

Risk chart

Potential Risk	Potential Impact	Probability	Impact	Risk Rating <5= low >14= high	Steps to Mitigate Risk
Governance					
Lack of strategy and forward planning	• Issues addressed without strategic reference • Loss of support from sponsors • Financial management difficulties • Loss of reputation	1	4	4	• Create strategic plan setting out aims objectives and policies • Include alternative strategies for maintaining income from diverse sources in strategic plan • Create and monitor financial budgets • Monitor operational performance and obtain volunteer and beneficiary feedback
Non- renewal of Fred Sirieix partnership/ involvement	• No further fundraising partnerships with Fred Sirieix • Loss of publicity and industry links through loss of Fred Sirieix	1	4	4	• Strategic plan to include alternative strategies for replacing income from other sources • Maintain sufficient reserves to cover expenditure during change • Work with other individuals and companies to establish similar relationship
Breakdown of partnership with Prison, Novus and/or Ministry of Justice	• Unable to continue with The Right Course in the prison • Cannot offer recognised qualifications	3	4	12	• Regular communication with Prison, Novus and the Ministry of Justice • File any reporting requirements on time • Work with other education providers to establish similar relationship • Built network of relationships with multiple contacts in each organisation to mitigate staff changes
Conflict of interest	• Decisions not based on relevant considerations • Impact on reputation	1	4	4	• Policy for disclosure of potential conflicts of interest

Potential Risk	Potential Impact	Probability	Impact	Risk Rating <5= low >14= high	Steps to Mitigate Risk
					• Procedures for standing down on decisions if conflict exists • Trustee selection process • Adhering to charity commission guidelines
Financial					
Budgetary control and financial reporting fraud or error	• Budget does not match key objectives and priorities • Inability to meet commitments or key objectives • Financial loss • Risk to reputation • Regulatory action	2	5	10	• Budgets linked to strategic plan • Timely and accurate monitoring and reporting • Procedures to review credit control, budgetary expenditure and treasury management • Strict control of fund accounting • Segregation of duties • Financial control procedures • Authorisation limits • Review of budgets and monthly management accounts by director and finance committee
Investment policy	• Financial loss through inappropriate investment • Cash flow difficulties arising from lack of liquidity • Loss incurred by trading subsidiary company	1	3	4	• Creation of adequate investment policy • Adequate reserves policy • Regular review by trustees • Regular review by trustees of trading policy, performance, profitability and viability of subsidiary company
Reserves policy	• Inability to meet commitments or planned objectives • Reputational risk	1	3	3	• Reserve policies linked to business plans, activities and identified financial risks • Regular review by trustees
Management					
Employment Issues	• Employment disputes • Health and safety issues • Claims for injury stress or unfair dismissal • Equal opportunities issues • Recruitment costs and lead times • Loss of experience • Low morale	1	3	3	• Job descriptions, performance appraisal and feedback • Regular health and safety and fire training • Consider working conditions, training and job satisfaction • Fair and open competition for key posts

Potential Risk	Potential Impact	Probability	Impact	Risk Rating <5= low >14= high	Steps to Mitigate Risk
					• Interview and assessment process • Job training and development • Reference and qualification process • Recruitment process • Regular trustee and staff meetings • Review rates of pay
Health and safety	• Staff injury	2	2	4	• Compliance with law and regulation • Statement of policy • Staff training
Disaster recovery and planning	• Computer system failures and loss of data • Destruction of property and records through fire or other disaster	1	4	4	• Data backup procedures • Data backup procedures • Insurance cover
Information Technology	• Systems fail to meet operational need • Failure to innovate or update • Loss or corruption of data	1	2	2	• Appraisal of system options • Security and authorisation procedures • Implementation and development procedures • Disaster recovery procedures
Data Protection	• Loss of data • Data miss used or retained longer than needed • Fines, penalties or censure from licencing or regulators • Reputational risks	1	5	5	• Data Handling policies and training • Encryption and password protection on all IT equipment • Annual review of policies and procedures • Identify key legal and regulatory requirements • Allocate responsibility for key compliance procedures
Procedure and system documentation	• Lack of awareness of procedure and policies • Action taken without proper authority	1	2	2	• Documentation of policy and procedure • Audit and review of systems
Compliance risks including • Charity law • Data protection • Employment law • Health and safety law • Gambling commission • Bribery provisions • HMRC gift aid provisions	• Fines, penalties or censure from licencing or regulators • Employee action for negligence • Loss of licence to undertake activities • Reputational risks	2	2	4	• Identify key legal and regulatory requirements • Allocate responsibility for key compliance procedures • Compliance monitoring and reporting • Preparation for compliance visits • Compliance reports from auditors
Volunteer Management					
Bullying or harassment/physical or emotional abuse	• Bodily or mental harm towards either individual	2	4	8	• Complete vetting process and statements of

Potential Risk	Potential Impact	Probability	Impact	Risk Rating <5= low >14= high	Steps to Mitigate Risk
between inmate and volunteer	• Loss of visitation to the prison, and more restrictions on future volunteers				previous convictions and/or conflicts of interest. • Training and mentorship offered to volunteers before visiting the prison. • Awareness of safe guarding policies before visiting. • Ensure there are enough staff members supporting the volunteers during the visit.
Data breaches	• Exchanging of data with the intent to communicate after release • Chance of incident/abuse/ harassment through contact	2	3	6	• Inform before visiting that communication with inmates once released is strictly forbidden. • During the visit, ensure no one is left without a member of staff • Report to someone in charge if a relationship between a volunteer and inmate seems too familiar.
Data Protection	• Unaware that we are sharing personal data with external partners for vetting purposes	2	2	4	• Confirm that the Volunteer Policy has been read, understood and signed.
People targeting the charity	• Using the visitation opportunity to reach an individual in the prison	2	4	8	Complete vetting process and statements of previous convictions and/or conflicts of interest.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to provide for the public benefit to promote the education of offenders, ex-offenders or those at risk of offending by providing or assisting in the provision of:

- training and qualifications in catering and hospitality skills; and
- mentoring; and
- into-work and employment advice and support.

PUBLIC BENEFIT

The Foundation benefits the public by working to reduce reoffending by providing offenders and ex-offenders with the skills, behaviours and opportunities to secure employment in the hospitality sector.

Our vision is of a world where prison leavers have the aspiration, skills and opportunities to rebuild their life, away from crime, and contribute back to society. Our mission is therefore to provide them with the tools, opportunities and support to transform their own lives through experiencing authentic and relevant training in staff restaurants and facilitating employment opportunities and industry mentoring. The trustees confirm that they referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

PRINCIPAL ACTIVITIES

The trustees determined that the principal focus should be on facilitating the opening of new training restaurants at prisons across the UK; working with education providers to deliver The Right Course curriculum; arranging mentoring and training from industry volunteers; and brokering job interviews and employment.

REVIEW OF ACTIVITIES

Building on a pilot programme at HMP/Isis from 2017, The Right Course was registered as a charity in July 2020 and negotiated grant support from the DM Thomas Foundation for Young People to enable the charity to start operations. Working with education providers, NOVUS, grant support was secured from the London Mayor's Fund to refurbish the staff canteen at HMP Wormwood Scrubs from January to May 2021. The training restaurant had a soft opening on 27th May, with the first cohort of learners graduating in September. Due to covid and lockdowns education was cancelled or restricted at HMP/YOI Isis and at HMP Wormwood Scrubs although the restaurants were able to operate under restrictions.

At HMP/YOI Isis 10 learners undertook the course, with an average of 90% achieving more than one qualification. Three graduates were eligible for release and they all secured employment upon release.

Of the 17 learners starting the course at the Escape restaurant at HMP Wormwood Scrubs, an average of 76% completed with more than one qualification (3 didn't complete the course). Of those 6 eligible for release, 4 are employed (66%).

The year was also spent applying to Trusts and Foundations for core support, identifying new prison.

FINANCIAL REVIEW

Income from restricted and unrestricted grants as well as fundraising activities totalled £72,937 of which £7,000 was restricted.

Expenditure totalled £37,565 of which £25,116 (67%) was on charitable activities. At 31 December 2021 the charity's total fund balance was £35,372.

RESTRICTED FUNDS

Due to grant restrictions, the following restricted funds exist (see note 13 of Notes to the Financial Statements for more details):

- Sheriff's & Recorders Fund
- Tallow Chandlers Trust

GENERAL RESERVES

The trustees consider that the average level of unrestricted funds not committed or invested in tangible fixed assets should represent at least 12 months of unrestricted expenditure. The trustees review the reserves policy annually as part of the consideration of the budgetary parameters for the forthcoming financial year.

FUTURE DEVELOPMENTS

Objective	Strategy and measure
Employment: Secure employment for over 75% of graduating learners that have been released.	Build networks and regular communication channels with project sites to ensure links and opportunities are established prior to release. Current average employment rate is 63%.
Training restaurants: Expand from two training restaurants to four restaurants open and three further prisons under discussion.	Build networks with the Ministry of Justice, Prisons, New Future Networks and education providers to identify potential new sites and budgets required. Develop business case and operational model required to run the training restaurants. Currently two operational training restaurants.
Employers: develop a network of employers who are willing to offer opportunities for graduates.	Promote our work and case studies and facilitate visits to existing sites, to demonstrate the impact and value of offering a job opportunity to graduating learners. Current network is London Centric and job opportunities are limited to 4 employers.
Fundraising support: secure a pipeline of support to build up a year's reserves and allow for employment of programme staff to enable expansion to more training sites.	Regular applications to Trusts and Foundations; explore fundraising events, balancing the ROI on time and effort involved; and identify opportunities to be charity of choice or recipient of donations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees are responsible for preparing the Report of the Trustees' and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Laws applicable to charities in England and Wales and in Scotland requires the trustees to prepare the Report of the Trustees and the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charity SORP;
- 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 operation.

The trustees are responsible for ensuring that accounting records are kept in respect of the charity which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 ,Eire charities Acts 1961 and 1973, and the provisions of the trust deed. 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 responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Accountants
Garrod Beckett & Co Ltd have expressed their willingness to continue in office. A resolution to reappoint them as Accountants will be proposed at the trustees' next meeting.

Approved and signed on behalf of the trustees

Fred Sirieix	Ali Zaidi
Chairman of the Trustees	**Trustee**

12 August 2022

INDEPENDENT ACCOUNTANTS REPORT
TO THE TRUSTEES OF
THE RIGHT COURSE

Opinion
We have reviewed the financial statements of The Right Course for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 December 2021, and of the charity's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion
We conducted our review in accordance with International Standards of Accounting and the applicable law. We are independent of the charity in accordance with the ethical requirements that are relevant to our review of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our accountants report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the review or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:
- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out in the Report of the Trustees, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT ACCOUNTANTS REPORT
TO THE TRUSTEES OF
THE RIGHT COURSE

Garrod Beckett & Co Ltd
Chartered Accountants
10 Town Quay Wharf, Abbey Road
Barking, Essex
IG11 7BZ

27 December 2022

THE RIGHT COURSE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE 17 MONTHS TO 31 DECEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020-21 £	Total 2019 £
Income from					
Donations & Legacies	2	65,937	-	65,937	-
Charitable Activities		-	7,000	7,000	-
Other trading activities		-	-	-	-
Investments	3	-	-	-	-
Total Income		65,937	7,000	72,937	-
Expenditure on	4, 5				
Raising funds		12,270	-	12,270	-
Charitable activities		25,116	-	25,116	-
Total Expenditure		37,565	-	37,565	-
Net expenditure		28,372	7,000	35,372	-
Net gains/(losses) on investments	10	-	-	-	-
Transfers between funds	10	-	-	-	-
Net movement in funds		28,372	7,000	35,372	-
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		28,372	7,000	35,372	-

All of the above results are derived from continuing activities. All gains and losses recognised in the 17 months are included above.

THE RIGHT COURSE
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2020-21	2019
		£	£
FIXED ASSETS			
Tangible assets	6	-	-
Investments		-	-
		-	-
CURRENT ASSETS			
Stocks		-	-
Debtors	7	-	-
Cash at bank and in hand		35,372	-
		35,372	-
CREDITORS: Amounts falling due within one year	8	-	-
NET CURRENT ASSETS		-	-
CREDITORS: Amounts falling due after more than one year		-	-
TOTAL NET ASSETS		-	-
FUNDS			
Restricted funds		7,000	0
Unrestricted funds:			
Designated funds		-	-
General reserves		28,372	-
TOTAL FUNDS	9	35,372	-

The financial statements were approved by the trustees on **12 August 2022** and signed on their behalf by:

Fred Sirieix
Chairman of the Trustees

Ali Zaidi
Trustee

The notes which follow form an integral part of these financial statements.

THE RIGHT COURSE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2020-21 £	2019 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	16	72,937	-
Cash flows from investing activities:			
Dividends, interest and rents from investments		-	-
Purchase of property, plant and equipment		-	-
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by/(used in) investing activities		-	-
Change in cash and cash equivalents in the reporting period		-	-
Cash and cash equivalents at the beginning of the reporting period		-	-
Cash and cash equivalents at the end of the reporting period		-	-

THE RIGHT COURSE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17 MONTHS TO 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted are as follows:

1.1 Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the Statement of Recommended Practice "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)" and the Charities Act 2011. The Charity is a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.2 Fund accounting

The financial statements of a charity must differentiate between restricted and unrestricted funds.

- *Restricted funds* are amounts which are subject to conditions imposed by the donor or which are collected for a specific purpose other than the general funds of the Foundation.
- *Designated funds* are amounts that have been put aside at the discretion of the trustees out of unrestricted general funds for specific future purposes or projects.
- *Unrestricted general funds* comprise accumulated surpluses and deficits after transfers to designated funds.

The nature and purpose of each fund are set out in Note 13 to the financial statements.

1.3 Income recognition

All incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource. Fundraising income, merchandising income and investment income are recognised on an accruals basis.

1.4 Expenditure recognition

Expenditure is accounted for on an accruals basis. Expenditure is allocated by reference to its functional classification and not by type of expense. The expenditure heads in the statement of financial activities include both direct costs and allocated overheads. Overheads are apportioned on a staff time basis.

Staff and office costs are divided into the areas of activity of the Charity: fundraising, charitable expenditure and governance, on the basis of the cost of related staff time. Communication costs are divided equally between fundraising and charitable expenditure. As the charity doesn't have any contracted staff, only consultants, there is no annual leave policy to state that it runs on the calendar year and no holiday can be rolled over into future years.

Fundraising activities costs are those incurred in organising fundraising events and in seeking voluntary contributions and do not include costs of disseminating information in support of the charity's charitable activities.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised at cost and depreciated. Depreciation is provided by the straight-line method, calculated to write off assets over their estimated useful lives at the following rates:

- Computer equipment — over three years
- Other office equipment — over three years
- Furniture and fittings — over four years

1. ACCOUNTING POLICIES (continued)

1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised investment gains are combined with investment income in the statement of financial activities. The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within certain sectors or sub sectors.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

1.8 Value added tax

The Charity is not registered for value added tax (VAT), and therefore input tax is not recoverable. Expenditure incurred by the Charity is therefore recorded inclusive of VAT.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at an average monthly rate at the accounting reference date. All differences are charged to the profit and loss account.

1.10 Pensions

As the charity doesn’t have any contracted staff, only consultants, the charity doesn’t provide an pension scheme or contributions. This is the responsibility of the self-employed consultants.

1.11 Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments, including its debtors and creditors. These are initially recognised at transaction value and subsequently valued at their settlement value.

1.12 Judgements and key sources of estimation uncertainty

Judgements and key sources of estimation uncertainty are detailed in the above accounting policies where applicable.

2. DONATIONS AND FUNDRAISING ACTIVITIES

	2020-21 £	2019 £
General Donations & Campaigns	65,937	-
		-
Commercial Trading Income	-	-
	65,937	-

3. INVESTMENT INCOME

	2020-21 £	2019 £
Investment income receivable	-	-
Interest receivable	-	-
	-	-

4. EXPENDITURE ON

	Fundraising activities	Charitable expenditure	Investment Costs	2020-21 Total	2019 Total
	£	£	£	£	£
Allocated Consultant costs	12,240	17,316	-	29,556	-
Allocated Office costs	30	-	-	30	-
Allocated Communication costs	-	-	-	-	-
Direct expenditure	-	7,800	-	7,800	-
Apportioned governance costs	179	-	-	179	*
Total 2021	12,449	25,116	-	37,565	
Total 2019	-	-	-		-

Staff and office costs are divided into the areas of activity of the charity: fundraising, charitable expenditure and governance, on the basis of the cost of related consultant time. Communication costs are divided equally between fundraising and charitable expenditure. Governance costs are then apportioned to fundraising activities and charitable expenditure.

4. EXPENDITURE ON (continued)

Governance Costs	2020-21	2019
	£	£
Allocated Staff costs	-	-
Allocated Office costs	179	-
Annual Report	-	-
Legal and Professional Fees	-	-
Audit and Accountancy Fees	-	-
Trustee Insurance	-	-
	-	-

Trustee Meeting do not include any expenses reimbursed from the Charity.

Net incoming/(outgoing) resources are stated after charging:	2020-21 £	2019 £
Accountants' remuneration	-	-
Depreciation	-	-

5. STAFF COSTS

	2020-21 £	2019 £
Salary costs	-	-
Social security costs	-	-
Pension costs	-	-
	-	-
The average number of full-time equivalent employees during the year was:	0	0

KEY MANAGEMENT PERSONNEL
The Charity doesn't have any staff. The Trustees engage a consultant to undertake some of the operations of the charity on a part-time basis. During the year, the trustees received £nil reimbursement of expenses (2019: £nil).

6. TANGIBLE FIXED ASSETS

	Computers & Other Equipment £	Furniture & Fittings £	Total £
Cost or valuation			
At 1 January 2020	-	-	-
Disposals at cost	-	-	-
As at 31 December 2021	-	-	-
Accumulated depreciation			
At 1 January 2020	-	-	-

Disposals at cost	-	-	-
Charge for year	-	-	-
As at 31 December 2021	-	-	-
Net book value			
At 31 December 2021	-	-	-
At 1 January 2020	-	-	-

7. DEBTORS

	2020-21	2019
	£	£
Trade debtors	-	-
Accrued investment income	-	-
Income tax recoverable	-	-
Staff Loan	-	-
Prepayments	-	-
	-	-

8. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020-21	2019
	£	£
Trade Creditors	-	-
PAYE and National Insurance	-	-
VAT and Corporation Tax payable	-	-
Other creditors	-	-
Accruals	-	-
	-	-

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020-21	2019
	£	£
Creditors	-	-
	-	-

9. FUNDS

	At 1 Jan 2020	Total Income/Gains	Total Expenditure	Transfers	At 31 Dec 2021
	£	£	£	£	£
RESTRICTED FUNDS					
Sheriff's & Recorders Fund (1)	-	2,000	-	-	2,000
Tallow Chandlers Trust (2)	-	5,000	-	-	5,000
	-	7,000	-	-	7,000
DESIGNATED FUNDS (3)	-	-	-	-	-
GENERAL RESERVES (4)	-	65,937	37,565	-	28,372
TOTAL FUND BALANCE	-	72,937	37,565	-	35,372

The purposes of the charity's funds are detailed below:

(1) *Sheriff's & Recorders Fund* – This restricted fund supports programme activities at HMP/YOI Isis, both direct expenditure and proportion of support costs.
(2) *Tallow Chandlers Trust* – This restricted fund supports programme activities at HMP/YOI Isis and HMP Wormwood Scrubs, both direct expenditure and proportion of support costs.
(3) *Designated Funds* - This designation represents the net book value of assets of the charity allocated by the Trustees and is therefore not available for other purposes.
(4) *General Reserves* - This represents the unrestricted funds, which the trustees are free to use in accordance with the charitable objects.

10. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds	Designated Funds	General Funds	Total
	£	£	£	£
Fund balances at 31 December 2021 are represented by:				
Tangible Fixed Assets	-	-	-	-
Investments	-	-	-	-
Net Current Assets	7,000	-	28,372	35,372
TOTAL NET ASSETS	7,000	-	28,372	35,372

11. RELATED PARTY TRANSACTIONS

The Trustees keep a record of related parties transactions, which is reviewed at each meeting, and recorded no conflict of interested throughout the year.