

Company number: 898514  
Charity number: 251926

# The Howard League for Penal Reform

(incorporating the Howard Centre for Penology)

Report and financial statements  
For the year ended 31 May 2021

# The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

## Contents

### For the year ended 31 May 2021

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Reference and administrative information .....	1
Trustees' annual report .....	4
Independent auditor's report .....	27
Statement of financial activities (incorporating an income and expenditure account) .....	31
Balance sheet .....	32
Statement of cash flows .....	33
Notes to the financial statements .....	34

# The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

## Reference and administrative information

For the year ended 31 May 2021

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**Company number** 898514

**Charity number** 251926

**Registered office  
and operational  
address** 1 Ardleigh Road  
LONDON  
N1 4HS

**Trustees** Trustees, who are also directors under company law, who served  
during the year and up to the date of this report were as follows:

Professor Ben Bradford  
Adrian Briggs  
Zubaida Haque  
Sally Lewis, Hon. Treasurer  
Gerry Marshall  
Professor Fergus McNeill, chair  
Elizabeth Morony, vice chair  
Professor Pamela Taylor  
Danielle Vidal

## Honorary President

Lord Ken Macdonald QC

## Staff during the year

Debbie Adewale	administrative assistant
Lorraine Atkinson	senior policy officer
Dr Miranda Bevan	policy associate (Left Oct 2020)
Dr Helen Churcher	research and project officer
Dr Molly Corlett	legal project support officer
Frances Crook OBE	chief executive officer
Poppy Cabbage	membership and projects officer
Anita Dockley	research director
Marie Franklin	caseworker
Philip Goring	finance and administration officer
Dr Laura Janes	legal director
Euginia Lolomari	director of finance and corporate services
Sophie Lumsden	membership development manager
Sinead MacCann	solicitor
Andrew Neilson	director of campaigns director

## The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

### Reference and administrative information

For the year ended 31 May 2021

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Barbara Norris	events and website manager
Renee Oyeleye	administrative assistant
Rob Preece	campaigns and communications manager
Ana Rosenthal	caseworker
Claire Salama	solicitor
Claire Sands	research and policy manager
Anna Spencer	caseworker
Catryn Yousefi	programmes manager

### Consultant

Gemma Buckland	Commission on crime and problem gambling
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### Editor-in-Chief of the Howard Journal of Crime and Justice

Professor Ian Loader	University of Oxford
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### Editors

Dr Rachel Condry	University of Oxford
Dr David Green	John Jay College, New York, USA
Professor Elena Larrauri	Universitat Pompeu Fabra, Barcelona, Spain
Professor Simon Mackenzie	Victoria University of Wellington, New Zealand

### Managing Editor

Anita Dockley	Howard League for Penal Reform
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### Book Review Editor

Dr Mary Rogan	Trinity College Dublin, University of Dublin, Ireland
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### Publishing Editor

Brenda McWilliams

The Howard League for Penal Reform benefited from the contribution of many students and office volunteers.

The charity is grateful to Clifford Chance for seconding trainee lawyers on three-month placements to support our work for young people.

**The Howard League for Penal Reform (incorporating the Howard Centre for Penology)**

**Reference and administrative information**

**For the year ended 31 May 2021**

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**Bankers**

Nat West Bank Plc  
PO Box 1357  
169 Victoria Street  
LONDON  
SW1E 5BT

**Auditor**

Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

**Investment  
advisors**

Cazenove Capital  
Schroder & Co Ltd  
31 Gresham Street  
London  
EC2V 7QA

# The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

## Trustees' annual report

### For the year ended 31 May 2021

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The trustees present their report and the audited financial statements for the year ended 31 May 2021.

Reference and administrative information set out on pages 1-3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Trustees' annual report

For the year ended 31 May 2021

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Report of the chair of the board of trustees

Professor Fergus McNeill

I'm sure that I speak for all the Trustees in saying how proud we are of what the whole team at the Howard League has achieved over the course of the last year -- surely one of the most trying years we have all faced. We are also profoundly grateful for the remarkable tenacity and talent the team continually demonstrates.

Even setting aside the Covid-19 pandemic and all its multifarious impacts on our lives and work, this last year was always bound to be a significant and unusually testing one. After very many successful years at the helm, we all knew we faced the impossible task of replacing Frances Crook as Chief Executive (as a person, she is, of course, irreplaceable!). I suspect that in future histories of penal reform, Frances Crook will be rightly recognised not just as an indefatigable campaigner but also as a true leader – in thought and action – and as someone who never shied away from confronting and challenging the nonsense of penal excess that blights our nation.

Frances Crook's influence on the development of the Howard League (and of criminal justice reform more generally) is impossible to quantify. As Trustees, we take some comfort from the fact that it is so obvious in the individual and collective qualities of the staff team (and the wider membership of the Howard League) that she has nurtured so carefully. In a very practical sense, they will be her legacy, and we are excited to work with our incoming Chief Executive Andrea Coomber to explore the next vital stage of our development together.

As Frances Crook's final report (below) makes abundantly clear, there is much work to be done. Our justice system is broken or breaking in many ways; and the people who work within it and/or are processed by it (as 'offenders', victims, witnesses, families) are among the first to bear the brunt of its dysfunction. They deserve better; as do we all. So long as that remains the case, we will need the Howard League to sustain, develop and expand the impact of its crucial work.

Thank you for your continuing support as we renew our commitment to that work, grateful for Frances Crook's years of service, but also excited by what the future holds.

Trustees' annual report

For the year ended 31 May 2021

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Report of the chief executive

Frances Crook

A year when the Covid-19 pandemic dominated public and private life set challenges for the charity. We had to restructure our working arrangements, we were not able to visit prisons or criminal justice agencies or to meet face to face with officials and leaders. Nevertheless, the work continued tenaciously, and I am pleased to report that we had a significant impact on public life, practice and policy.

Because the courts were not functioning as normal, fewer people were remanded or sentenced to prison and the number of men, women and children in prison was reduced. The prison authorities put in place some temporary accommodation blocks in order to keep people separate so they would be less likely to infect each other, which improved conditions for some. Nevertheless, some 20,000 men were still held in crowded conditions, two a cell designated for one person, which meant that for the year they were confined to the cell almost all day with no access to work, activities or personal interaction with staff, family or other prisoners.

The charity worked hard to get the government to mitigate the worst of the isolation people in prison were suffering. We were in regular correspondence with ministers and even at one point threatened legal action. All the correspondence and the replies from ministers were made public and posted on our website.

Instead of reaping the benefit of fewer people in prison, the government has embarked on a massive expansion programme of 18 new jails and tens of thousands of additional cells which will encourage the use of prison and increase the population.

In the face of such profligate waste of public money we continue to work for fewer people in prison by focussing on reducing arrests, the entry point to the toxic criminal justice system. We concentrated on stemming the arrests of children and of women, which would mean fewer going through prosecution, punishment and prison.

This report gives details of our legal work to help individual children and young adults. It illustrates our campaigns and policy work covering community and custody. This year we have done it differently, but we have done it just as effectively.

I wrote in last year's report that it would be my last as I was retiring but the process of recruiting a successor took a bit longer than anticipated so I am once again reporting on a full year of work, with my retirement taking place at the end of October. We are holding an event hosted by our President, Lord Macdonald, in the House of Lords to thank everyone who has worked with me to pursue the aims of the Howard League and I am asking people to make donations to set up an internship programme to commemorate



Trustees' annual report

For the year ended 31 May 2021

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the life and contribution of David Faulkner, a past chair of the board of trustees who died this year.

I am very pleased that Andrea Coomber is taking over as chief executive in November. She has a wealth of experience and expertise, and I am confident she will lead a thriving and impactful organisation. The charity will be in safe hands and my best wishes go to her and the team of staff, trustees and members. I will be giving my papers to the library of Warwick University, which holds the Howard League's historic documents.

Report of the trustees

Strategic Vision and Priorities: 2019–2024

In 2019 the board of trustees set the strategic vision and priorities for the coming five years.

The Howard League for Penal Reform recognises the humanity of all people involved in criminal justice. We seek to uphold their dignity and respect their human rights.

We strive to minimise the human suffering and social harms that are both causes of crime and consequences of punishment.

We stand for constructive forms of justice that contribute to building a safer, fairer society.

We stand against abuse and mistreatment and all forms of inappropriate discrimination in the criminal justice system.

To these ends, we are committed to:

- Remaining fearlessly independent, radical and critical in our campaigning, *as well as* being pragmatic, engaged and influential
- Sustaining high-quality, high-profile public engagement and education around criminal justice concerns
- Being principled in our approach, as well as evidence-based and research-informed
- Maintaining the culture of curiosity and ingenuity that allows us to respond to new crime and justice challenges in ways that are flexible, dynamic and agile
- Using the law and the courts to challenge injustice
- Being well-managed, well-governed and sustainable as a charitable organisation

Trustees' annual report

For the year ended 31 May 2021

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- Being committed to working in partnership with others who share our values and goals.

Over the five years from 2019 to 2024 the Howard League will focus on three broad strategic priorities. We shall evaluate our activities and proposals for new initiatives against these priorities and our principles.

1) Stemming the flow

The Howard League will focus work on *stemming the flow* of people into the system, advocating for solutions which as much as possible lie outside of the criminal justice system.

The criminal justice system is not a static repository of people. It is better understood as a flow of individual lives, from point of arrest, through community interventions, all the way to the population in penal custody and beyond.

2) Better justice

The Howard League will focus work on *better justice* which emphasises rights and remedies. When solutions must be sought from within the system, then these should be as non-invasive and flexible as possible. Prison must be a true last resort.

Alongside stemming the flow, we will promote better justice systems.

3) Strengthening the charity

Work on *stemming the flow* or *better justice* is impossible without a solid underpinning for the charity.

The Howard League will focus work on *strengthening the charity* which speaks to our vision of being a well-managed, well-governed and sustainable charitable organisation. In particular, we shall continue to devote efforts to grow our membership, expand our influence and maintain our independence.

## Stemming the flow

### Crime and gambling

The Commission on Crime and Problem Gambling was set up two years ago to find new and better ways of preventing crime linked to gambling.

Chaired by Lord Peter Goldsmith QC, the Commissioners are

Dr Jamie Bennett, former prison governor and now deputy director in HMPPS  
Andrew Black, co-founder of Betfair  
Prof Henrietta Bowden-Jones OBE, director of the National Problem Gambling Clinic  
Matt Burton, assistant chief constable, Cheshire Police  
Dr John Chisholm CBE, Chair of the Medical Ethics Committee, British Medical Association  
Jon Collins, chief executive, Magistrates Association  
Frances Crook, chief executive, Howard League for Penal Reform  
Elizabeth Morony, partner, Clifford Chance LLP  
Andrew Neilson, campaigns director, Howard League for Penal Reform  
Neil Platt, clinical director, Beacon Counselling Trust  
Sarah Ramanauskas, senior partner, Gambling Integrity  
Prof Gerda Reith, University of Glasgow  
Norma Stephenson OBE, councillor, Stockton on Tees Borough Council  
Sue Wade OBE, former chair, Howard League for Penal Reform

The Commission published a literature review that looked at international and national publications.

It submitted to the Law Commission review of the Proceeds of Crime Act, arguing that the legislation assumes that criminal activity leads to personal profit, whereas problem gambling usually leads to the loss of assets and often plunges families into financial crisis.

We had intended to attend the Fourteenth United Nations Congress on Crime, held in Japan, but instead held a virtual ancillary meeting which discussed the work of the Commission.

Research was at the heart of the programme and the first research led by Staffordshire University was conducted jointly with the Magistrates Association and looked at how much knowledge and understanding of the issues magistrates had.

Trustees' annual report

For the year ended 31 May 2021

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The first publication of the Commission reviewed the oral evidence sessions when eminent and expert contributors included people who had lived experience of crime and problem gambling either because they had been convicted of crimes or because a family member had been imprisoned. They included:

- Lord Peter Chadlington, life President of Action on Addiction and vice chair of the All Party Parliamentary Group on Gambling Related Harm
- Carolyn Harris MP and Sir Iain Duncan Smith MP, officers of the All Party Parliamentary Group
- Andrea Albutt, President of the Prison Governors Association
- Lisa Ustok, probation officer
- Roger Parkes and Kirsty Caldwell, Betway PLC
- Maris Catania and Tim Cook, Kindred Group PLC
- Professor Robert Williams, Alberta University

We said that there is very little understanding across the criminal justice system of the issue around crimes committed linked to problem gambling nor how best to respond.

### **Stemming the flow of women into the system**

The Howard League provided administrative and policy support to the All Party Parliamentary Group on Women in the Penal System, chaired by Jackie Doyle Price MP, Debbie Abrahams MP and Baroness Jean Corston.

The APPG conducted two inquiries aimed at improving the outcomes for women in conflict with the criminal law.

The APPG is working on a three-year programme to reduce arrests of women. It received original and detailed evidence from five police forces in England and Wales providing anonymised data on arrests of hundreds of women. The figures suggest that thousands of women each year are arrested, held in custody and then released without charge, which is an unnecessary and wasteful use of police resources.

In March 2021 the APPG launched a second inquiry into women's health and well-being in prisons, hearing evidence from voluntary organisations working alongside women in prison. A report is to be published in the autumn.

In November 2020 the APPG published a briefing calling for the abolition of the court power to end people to prison for their own protection. Under 50-year-old legislation the courts can remove a man or woman's liberty without expert evidence or any formal investigation and without them having any investigation. The APPG chairs met with the minister to press the case and asked for the provision in the 1976 Bail Act to be repealed.

Trustees' annual report

For the year ended 31 May 2021

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### **Reducing child arrests**

Since 2010 the Howard League has been working with police forces across England and Wales to reduce children arrests, helping to ensure that hundreds of thousands of boys and girls do not have their lives blighted by a criminal record.

Arrests of children have been reduced by 74 per cent and in August 2021 we published the latest briefing showing that in 2020 police made 63,272 arrests of children.

In 2020, there were 261 arrests of primary school aged children, down from over 2,000 a decade ago. This is effectively raising the age of criminal responsibility by stealth, as it was clear that there was no government support for legislation to enact this reform, we have been working with the police to keep young children out of the toxic criminal justice system.

As the only charity working on child arrests, our persistent support for police doing things differently and generation of a positive public discourse on the success at reducing child arrests has undoubtedly made a significant contribution to this radical reform. We have made life better for thousands of children and into their adulthood.

### **Ending the criminalisation of children in residential care**

Hundreds more boys and girls can look forward to a brighter future as government figures revealed in July the transformative impact of the Howard League programme to end the criminalisation of children in residential care. Data showed that the number of children criminalised had reduced from 15 per cent to five per cent. Our programme is nearing its end and we will be adding to the series of blogs by guest experts to tell the story of the work.

### **Crime cutting projects**

The work of eighteen projects working across the country to reduce crime and transform lives were celebrated at the annual community awards conference in October 2020. This was held on-line but still attended by over 100 representatives from organisations across the whole country.

We held well attended virtual events to celebrate the work of the winners.

Once again, this year organisations working with gamblers, looked after children, people with mental health problems – all in an effort to keep them out of the criminal justice system – were nominated for the awards.

**Trustees' annual report**

**For the year ended 31 May 2021**

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All could show how they helped individuals and reduced crime and reoffending. The full list is on the Howard League website and the winners will be celebrated at a conference in October 2021.

**Government and public relations**

We submitted and published 35 responses to government and statutory consultations on a wide range of issues about justice, rights, the law and sentencing.

The charity is regularly consulted by ministers, officials and parliamentary committees. This year the legal director, Dr Laura Janes, gave oral evidence to the Human Rights Committee and the Police, Crime, Sentencing and Courts Bill Committee on the treatment of young people in the penal system.

The Ministry of Justice published a white paper on sentencing last year and this year legislation was introduced in the Police, Crime, Sentencing and Courts bill which included Home Office provisions on curtailing the right to protest in addition to draconian sentencing clauses that will lengthen prison sentences and increase the prison population. The Howard League has been working with consortia of voluntary organisations who share concerns about the proposed legislation. We are trying to get reform of the indeterminate sentence for public protection and will be working in the House of Lords.

Staff maintain strong relationships with senior officials across statutory agencies including the Parole Board, Sentencing Council, HM Inspectorates of Prisons and Probation, the Youth Custody Service and the Youth Justice Board.

**Public education**

In association with Black Protest Legal Support and in consultation with an expert advisory group the Howard League published a practical guide for antiracist lawyers. The guide was inspired by two harsh realities: racial discrimination as an enduring feature of criminal justice for Black people; and legal training in England and Wales that does not equip lawyers to be antiracist. The guide is designed to support lawyers to be antiracist at each phase of a client's journey through the system: at the police station, at court and after court. The national lockdown meant we could not hold our usual events so we moved to virtual events, holding a series of 'in conversation' discussions with key players including Vera Baird, Victims Commissioner; Peter Clarke, HM Inspector of Prisons; Lyn Brown MP, shadow minister; Sir Bob Neill MP, chair of the Justice Committee; Patrice Lawrence, writer; Keith Fraser, chair of the Youth Justice Board, Lord Ken Macdonald QC, president of the Howard League and Warden of Wadham College; Anne Longfield, former Children's Commissioner; Anna Hemmings, chief executive of Gamcare; Professor David Wilson, Birmingham City University; Caroline Adams QPM, Sussex Police; and the team at Make Amends, a restorative justice project

**Trustees' annual report**

**For the year ended 31 May 2021**

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working in Devon and Cornwall. Between 100 and 200 participated in the audience for each of the events, extending our reach across the country.

The 2020 AGM was an on-line event and we complied with our regulatory responsibilities.

The charity's publications and submissions are posted on our website and are freely available. The website is well visited, and our social media presence continued to grow, reaching some 34,000 followers on Twitter.

Despite the challenges of the national lockdown, we continued to have a strong presence for our concerns in the mainstream media. An article on prisons by the chief executive in the Guardian generated so many comments that the newspaper had to shut the facility and it also garnered many new members and donations. A subsequent article on work in prisons also generated considerable interest.

Statements were published on issues of public concern and publications from the inspectorate.

Our mainstream media presence was maintained, with interviews on television and key radio programmes. Members of staff wrote articles for newspapers and journals, covering a wide range of our research and concerns.

**Better Justice**

**Legal representation of children and young adults**

The antiracist guide for lawyers, Making Black Lives Matter in the Criminal Justice System, was launched in June with an event for lawyers. The guide was developed with the help of an expert advisory group, focus groups and a review of data and literature.

The Supreme Court ruled against our challenge on behalf of a child who had been held in solitary confinement and we are now considering whether to take the case to the European Court of Human Rights, which could potentially have implications for all Council of Europe states.

The legal team represented children and young adults facing disciplinary hearings and parole, securing improved outcomes for their reintegration. The team helped individual young people by challenging local authorities when they failed to comply with their duties and secured appropriate housing and support.

We extended the advice line hours to include an additional afternoon. We received just under 10,000 calls from young people and dealt with some 600 individuals, the majority of whom were boys – representing the fact that 95 per cent of the custody population is

Trustees' annual report

For the year ended 31 May 2021

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male – and with a disproportionate representation of the Black, minority ethnic young people.

We continued to embed our work on sentencing young adults: the legal director addressed hundreds of lawyers and probation officers on the topic, co-authored an article on the changes in the law around sentencing young adults for the Criminal Law Review and produced a set of short films on the topic (to be launched) in October this year.

The legal director wrote a submission to Parliament's Education Committee explaining that the quality of education is low, and access is limited.

### **Justice and fairness in prisons**

Prisons should be places of justice. We can make society safer by treating people fairly. Treating people in prison with justice and fairness has a ripple effect and helps us to build safer and fairer communities.

Prisons should epitomise justice but instead they are centres of injustice, treating people unfairly and imposing unacceptable physical and emotional conditions with capricious systems of punishment. We argue that a fundamental shift in prison culture would make prisons safer and improve outcomes.

In November 2020 we published second research briefing in the programme that exposed the injustice of the prison disciplinary system that created a pervasive sense of injustice, fuelled conflict and overcrowding. The research showed that 210,000 adjudications had been conducted in 2019, an increase of 76 per cent in eight years. The resulting imposition of additional days of imprisonment reached 337,000 days.

A regular blog covered prisoners with autism and ideas on how prisons could improve. We argued for improved procedural justice, better restorative solutions and a rights-based approach.

### **Research**

The focus of research this year was on crime and problem gambling. The first commission examined the sentencers' understanding and treatment of problem gambling and was conducted in partnership with the Magistrates Association by a team from Staffordshire University. Over 600 magistrates took part in a survey and focus groups were held. Participants regarded gambling as an addiction, but most magistrates had not considered problem gambling in the context of a criminal case.

Two further pieces of research were commissioned. We are exploring people's lived experience of crime and problem gambling and aim to amplify the voices of those directly



## Trustees' annual report

For the year ended 31 May 2021

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affected. The second research commission is examining police awareness of problem gambling and crime. Both will be published next year.

Professor Ian Loader has agreed to remain as editor in chief of the Howard Journal for another four years. The journal has been performing well and there was an increase in its global reach with more institutions subscribing and downloads increasing by 22 per cent.

We celebrated the centenary of the coming together of the Howard Association and the Penal Reform League with events, blogs and social media posts. The Howard Association had been founded in 1866 to find a better penal system and the Penal Reform League was founded in 1907 with a proud history of defending imprisoned suffragettes.

The early career academic network published a series of bulletins comprising contributions from academics with special editions looking at the impact of the pandemic on the justice system.

## Strengthening the charity

### Members

The number of members increased month on month and is approaching 14,000 individuals and local organisations. This year we urged members to approach their MPs with information about women ending the imprisonment of women 'for their own protection'. Our members are the core of our work, ensuring independent funding, energy and activity.

### Fundraising

We are immensely grateful to all the individuals and trusts that donated to our work. Every single gift is appreciated and valued and we make sure that the money is carefully invested in our work.

For a charity working on difficult and often unpopular issues, we have been singularly successful at fundraising and our accounts show a secure position with varied income streams.

### Governance

#### Staff

The charity is fortunate in benefitting from committed, skilled and enthusiastic staff. We have a core team that has given many years to the charity ensuring that we can learn lessons and build on their experience, as well as new staff who bring fresh ideas and challenge. This balance is at the heart of our success.

Trustees' annual report

For the year ended 31 May 2021

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We were lucky in securing Justice First trainee solicitors one of who qualified this year.

Publications

All Party Parliamentary Group on Women in the Penal System: Arresting the entry of women into the criminal justice system, September 2020

Justice does not stop at the prison gate: Justice and fairness in prisons, briefing two, November 2020

Child arrests in England 2019, December 2020

All Party Parliamentary Group on Women in the Penal System: Prison for their own protection, the case for repeal, November 2020

Annual report, November 2020

Making Youth Justice, a research report by Professor Barry Goldson and Dr Damon Briggs, March 2021

All Party Parliamentary Group on Women in the Penal System: arresting the entry of women in to the criminal justice system, briefing three, May 2021

Making Black lives matter in the criminal justice system: a guide for antiracist lawyers, June 2021

Two editions of the newspaper, the Howard, were published and distributed in hard copy and on the website

Policy papers

Response to the Scottish Sentencing Council consultation on sentencing young people, August 2020

Response to the Sentencing Council drug offences consultation, August 2020

Response to the Sentencing Council consultation: What next for the Sentencing Council? September 2020

Submission to the Justice Select Committee inquiry on the future of the probation service, September 2020

Response to the College of Policing consultation on the guidelines for recognising and responding to vulnerability related risks, October 2020

## The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

### Trustees' annual report

#### For the year ended 31 May 2021

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Response to the consultation on the criminal injuries compensation scheme review, October 2020

Response to the Youth Custody Service consultation on the transition of young people from youth to adult custody policy framework, October 2020

Submission to the Justice Committee call for evidence on the future of legal aid, November 2020

Submission to the Commission on Race and Ethnic Disparities, November 2020

Commission on Crime and Problem Gambling: Submission to the Law Commission consultation on confiscation under part 2 of the Proceeds of Crime Act (POCA) 2002, December 2020

Submission to the Ministry of Justice consultation on the parole system, December 2020

Submission the Education Committee inquiry: Education, Are prisoners being left behind, January 2021

Response to the Sentencing Council consultation on modern day slavery offences, January 2021

Response to the Ministry of Justice call for evidence on neurodiversity in the criminal justice system, January 2021

Response to the House of Lords Constitution Committee inquiry into the impact of Covid-19 on the operation of the courts, January 2021

Response to the HM Inspectorate of Prisons consultation on Expectations: Criteria for assessing the treatment of and conditions for those held in women's prisons, January 2021

Response to the Parole Board's draft guidance on instances where a person before the Board lacks capacity, February 2021

Response to HM Inspectorate of Prisons consultation on expectations for leadership, March 2021

Response to the Joint Committee on Human Rights call for evidence on the government's independent Human Rights Act Review, March 2021

Commission on Crime and Problem Gambling submission to the review of the Gambling Act, March 2021

## The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

### Trustees' annual report

#### For the year ended 31 May 2021

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Response to the government consultation on proposals for reforming judicial review, April 2021

Response to the Department of Health and Social Care white paper on reforming the Mental Health Act 1983, April 2021

Response to the Competition and Markets Authority invitation to comment on children's social care, April 2021

Response to HM Inspectorate of Probation consultation on its inspection framework and programmes for 2021–2022, April 2021

Police, Crime, Sentencing and Courts bill, briefing for committee stage, May 2021

Response to the Justice Committee inquiry into mental health in prison, May 2021

Response to the Joint Committee on Human Rights call for evidence on the Police, Crime, Sentencing and Courts bill, May 2021

Response to the Independent Review of Criminal Legal Aid call for evidence, May 2021

Response to the draft framework on prisoners' property, May 2021

Response to the Law Commission consultation on intimate image abuse, May 2021

Response to the Department of Health women's health strategy, June 2021

Response to the Justice Committee inquiry into women in prison, June 2021

Response to the Law Commission's 14<sup>th</sup> programme of law reform, July 2021

Response to the Draft Framework on Managing Separation in the Children and Young People Secure Estate, July 2021

Trustees' annual report

For the year ended 31 May 2021

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Treasurer's report

I am pleased to report on a continued strong financial position for the Howard League for Penal Reform. Established systems ensuring appropriate and best use of resources are adhered to.

The charity received income of *£917,377* which represents a reduction in previous income, resulting primarily from the impact of the pandemic on a range of fundraising activities. The prior year's income of *£1.4m* included *£448,277* restricted funds for the third year regulatory settlement for the Commission on Crime and Problem Gambling.

An important contribution of *£264,245* to our unrestricted funds was derived from legacies and donations. In addition, the charity has received unrestricted income from our membership of *£161,487*. The Howard League is enormously grateful to each one of those people who give this financial support. We want these generous benefactors always to fully share our sense of pride in the achievements of the charity. Whilst we highly value the project funding that addresses important targeted work within a set of agreed outcomes; unrestricted funds give the charity additional agility to respond to circumstances.

Our income from events has been curtailed somewhat by the social restrictions of the pandemic. Nevertheless, the charity has made successful transition into online gatherings that have extended participation opportunities and attracted new members.

The Howard League provides legal services to young people in custody and the impact of this work is impressive; both on an individual case basis and in identifying and challenging systemic changes required. Legal casework to achieve these outcomes accounts for *£324,708* of income in this reporting period.

The charity has a managed investment portfolio and this has performed well. Trustees maintain a careful review of the investments and undertook in the reporting period to investigate transfer to a portfolio better attuned to sustainable development on environmental, social and governance criteria. The decision to transfer was agreed as prudent and appropriate.

The balance of our fund on 31<sup>st</sup> May 2021 includes *£1,666,424* held in equities and *£345,228* in short term cash deposits.

The charity owns our offices. We have not been in a position to make better use of this asset, by rental of a portion of our space, due to the ongoing national public health situation. The trustees ensure that this property asset remains subject to review to achieve full potential for charitable purposes.

Trustees' annual report

For the year ended 31 May 2021

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Our staff team remains our most valuable resource. They have shown commendable resilience throughout the reporting period, adapting constructively to the “working from home” / online environment. The charity has good staff retention levels that include a healthy turnover of staff for positive and constructive reasons. We value both the stability and experience of long service and the new approaches of our more recent employees.

The resources, generously given to the charity by individuals and organisations, have been managed and expended with great care and oversight by staff and trustees.

There is much to be done in creating a more humane, effective and fair criminal justice system. We are truly grateful to everyone who supports The Howard League in our work as a leading organisation and trusted partner in achieving less crime, safer communities and fewer people in prison.

Sally Lewis OBE  
Honorary Treasurer

## The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

### Trustees' annual report

#### For the year ended 31 May 2021

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#### Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 20 February 1967 and registered as a charity on 18 May 1967.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

#### The board

The Howard League for Penal Reform is governed by a board of trustees, whose principal responsibilities are the setting and monitoring of the strategic direction of the organisation and the establishment of policy. All trustees give their time voluntarily and receive no financial benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

#### Ensuring that our work delivered our aims

The trustees hold a strategy meeting each year to review the future direction of the organisation and ensure that it remains focused on the charity's purposes.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning our future activities.

During the year the board of trustees met formally four times.

The board delegated the day-to-day operation of the organisation to the chief executive, Frances Crook.

#### Objectives and activities

##### Purpose and objectives

The Howard League for Penal Reform is the oldest penal reform charity in the world. It was established in 1866 as the Howard Association and was named after John Howard, the first prison reformer. It is a registered charity, company limited by guarantee and incorporated in England and Wales and a law firm with both a public law and a prison law contract to provide legal services to young people in custody. It is governed by its constitution and memorandum and articles of association.

The main charitable objects for which the Howard League was established, as described in its 1967 memorandum and articles of association, were 'to promote the sciences of penology and criminology, social health, the welfare and constructive treatment of pre-delinquents and offenders, the education, further education, advancement and pursuit of

## Trustees' annual report

For the year ended 31 May 2021

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knowledge relating to penology, criminology, social health and delinquency, the training of those who deal with offenders and pre-delinquents and the prevention and limitation of criminal and anti-social activities'.

### Core beliefs

The Howard League for Penal Reform works for less crime, safer communities and fewer people in prison.

### Trustees' recruitment, induction and training

Recruitment of new trustees is through nomination and open advertisement. Candidates are interviewed by the Chair. New trustees are elected to the board at the annual general meeting. Trustees are elected to serve for a period of three years after which they must be re-elected at the next annual general meeting. The board seeks to ensure that there is appropriate balance of experience and representation relevant to the operations of the Howard League for Penal Reform.

All new trustees take part in an induction programme which is designed to ensure that they fully understand their roles and responsibilities, as well as the objects, activities and ethos of the charity.

### Risk management

The board of trustees has ultimate responsibility for the management of risk, with day to day management of risk delegated to the executive management team. During the year the board reviewed the risk register.

Risk management is integrated with planning and budgeting and the organisation is committed to developing understanding of a risk-aware approach to working. The executive management team keeps major risks under regular review and reports any significant change in status of major risks and new risks.

The key risks identified during the year and kept under review:

- Impact of pandemic – monitoring government guidance
- Uncertainty over funding – mitigated by close monitoring of budgets monthly.
- Public perception and reputation which is kept under weekly review by monitoring the public relations strategy.



Trustees' annual report

For the year ended 31 May 2021

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Staff remuneration statement

The Howard League for Penal Reform is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

The board of trustees sets the pays scales for staff. The CEO is in attendance for the meeting (leaving for the discussion regarding the CEO's remuneration).

In determining the Howard League for Penal Reform's remuneration policy, the board of trustees consider all factors which are deemed necessary. The objective of the policy is to ensure that the chief executive and senior staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the charity.

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

The trustees are satisfied that the aims and objectives of the charity meet the public benefit requirement; and that the charity's activities are in support of those aims.

Financial review

**Reserves**

Restricted funds received for specific projects or purposes that are not available for general use stand at £923,373 at year end.

The board of trustees reviews the reserves policy annually and it aims to ensure that adequate funds are held to run the charity for a period of at least 12 months. At the end of the year, our free and unrestricted reserves would cover 10 months at current expenditure. Unrestricted funds not in fixed assets amounted to £1,126,553 at the year end.

**Investments**

The trustees have the power to invest in such assets as they see fit. Investment decisions have been taken with a view to maximising the return, maintaining reasonable access to ensure the availability of funds for the purposes they are intended.

Trustees' annual report

For the year ended 31 May 2021

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As of 31 May 2021, the charity's holding in Cazenove Charity Multi Asset Fund was valued at £1.6m. In addition, some shares listed on the London Stock Exchange were held.

**Fundraising disclosures:**

The Howard League carries out all its fundraising in house and does not contract with consultants or agencies. The charity benefits from contributions from its 13,500 members and supporters, donations from grant making trusts, gifts in Wills, events and legal aid for our representation of young people in custody.

For 12 months to 31 May 2021, we received no complaints in relation to our fundraising activities. The board of trustees oversees policies that guide best practice on data protection and managing communications with vulnerable members of the public.

Trustees' annual report

For the year ended 31 May 2021

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Statement of responsibilities of the trustees

The trustees (who are also directors of charitable company for the purposes of company law) 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at year-end was 9 (2018: 9). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**The Howard League for Penal Reform (incorporating the Howard Centre for Penology)**

**Trustees' annual report**

**For the year ended 31 May 2021**

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**Auditor**

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The report of the trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies' regime.

Approved by the trustees on 26 October 2021 and signed on their behalf by



Professor Fergus McNeill  
Chair

## **Independent auditor's report**

**To the members of**

### **The Howard League for Penal Reform (incorporating the Howard Centre for Penology)**

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Independent auditor's report to the members of Howard League for Penal Reform

#### **Opinion**

We have audited the financial statements of Howard League for Penal Reform (the 'charitable company') for the year ended 31 May 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 May 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Howard League for Penal Reform's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Independent auditor's report**

To the members of

**The Howard League for Penal Reform (incorporating the Howard Centre for Penology)**

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### **Other information**

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

## **Independent auditor's report**

### **To the members of**

#### **The Howard League for Penal Reform (incorporating the Howard Centre for Penology)**

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company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

#### **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

## Independent auditor's report

### To the members of

#### The Howard League for Penal Reform (incorporating the Howard Centre for Penology)

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- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Sayer Vincent LLP*

Jonathan Orchard (Senior statutory auditor)

17 November 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL



Howard League for Penal Reform (Incorporating the Howard Centre for Penology)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 May 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations and legacies	2	246,245	-	<b>246,245</b>	270,641	-	270,641
Charitable activities							
Campaigns, policy & research	3	-	91,000	<b>91,000</b>	26,600	631,477	658,077
Events, conferences & publications	3	64	-	<b>64</b>	15,854	-	15,854
Legal services for young people	3	124,270	200,438	<b>324,708</b>	53,991	136,467	190,458
Membership income	3	161,487	-	<b>161,487</b>	160,556	-	160,556
Other trading activities	4	21,794	-	<b>21,794</b>	58,896	-	58,896
Investments	5	64,602	-	<b>64,602</b>	64,376	-	64,376
Other		7,477	-	<b>7,477</b>	32,699	-	32,699
<b>Total income</b>		<b>625,939</b>	<b>291,438</b>	<b>917,377</b>	<b>683,613</b>	<b>767,944</b>	<b>1,451,557</b>
<b>Expenditure on:</b>							
Raising funds	6	56,454	-	<b>56,454</b>	55,150	-	55,150
Charitable activities							
Campaigns, policy & research	6	276,238	453,392	<b>729,630</b>	34,688	686,436	721,124
Events, conferences & publications	6	76,836	-	<b>76,836</b>	61,334	23,506	84,840
Legal services for young people	6	212,516	183,471	<b>395,987</b>	332,426	107,235	439,661
Membership	6	109,801	-	<b>109,801</b>	126,001	-	126,001
<b>Total expenditure</b>		<b>731,845</b>	<b>636,863</b>	<b>1,368,708</b>	<b>609,599</b>	<b>817,177</b>	<b>1,426,776</b>
<b>Net (expenditure)/income before net gains / (losses) on investments</b>		<b>(105,906)</b>	<b>(345,425)</b>	<b>(451,331)</b>	<b>74,014</b>	<b>(49,233)</b>	<b>24,781</b>
Net gains / (losses) on investments		166,779	-	<b>166,779</b>	(41,444)	-	(41,444)
<b>Net income / (expenditure) for the year</b>	9	<b>60,873</b>	<b>(345,425)</b>	<b>(284,552)</b>	<b>32,570</b>	<b>(49,233)</b>	<b>(16,663)</b>
Transfers between funds		324,611	(324,611)	-	-	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>385,484</b>	<b>(670,036)</b>	<b>(284,552)</b>	<b>32,570</b>	<b>(49,233)</b>	<b>(16,663)</b>
Gains on revaluation of fixed assets		200,000	-	<b>200,000</b>	-	-	-
<b>Net movement in funds</b>	7	<b>585,484</b>	<b>(670,036)</b>	<b>(84,552)</b>	<b>32,570</b>	<b>(49,233)</b>	<b>(16,663)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,980,183	1,593,409	<b>3,573,592</b>	1,947,613	1,642,642	3,590,255
<b>Total funds carried forward</b>		<b>2,565,667</b>	<b>923,373</b>	<b>3,489,040</b>	<b>1,980,183</b>	<b>1,593,409</b>	<b>3,573,592</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

# Howard League for Penal Reform (Incorporating the Howard Centre for Penology)

## Balance sheet

Company no. 00898514

**As at 31 May 2021**

	Note	£	2021 £	£	2020 £
<b>Fixed assets:</b>					
Tangible assets	12		1,439,114		1,253,622
Investments	13		1,666,424		1,444,742
			<u>3,105,538</u>		<u>2,698,364</u>
<b>Current assets:</b>					
Debtors	14	107,965		72,378	
Cash at bank and in hand		345,228		886,663	
		<u>453,193</u>		<u>959,041</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	15	(69,691)		(83,813)	
			<u>383,502</u>		<u>875,228</u>
<b>Net current assets</b>			<u>383,502</u>		<u>875,228</u>
<b>Total net assets</b>			<u><u>3,489,040</u></u>		<u><u>3,573,592</u></u>
<b>The funds of the charity:</b>					
Restricted income funds	17		923,373		1,593,409
Unrestricted income funds:					
Designated property funds					
<i>Property fair value reserve fund</i>		<i>750,000</i>		<i>550,000</i>	
<i>Property historic cost fund</i>		<i>650,000</i>		<i>-</i>	
Total designated property funds		<u>1,400,000</u>		<u>550,000</u>	
Designated strategic fund		778,712		778,712	
Other designated funds		-		303,127	
General funds		<u>386,955</u>		<u>348,344</u>	
Total unrestricted funds			<u>2,565,667</u>		<u>1,980,183</u>
<b>Total charity funds</b>			<u><u>3,489,040</u></u>		<u><u>3,573,592</u></u>

Approved by the trustees on 26 October 2021 and signed on their behalf by



Fergus McNeill  
Chair

## Statement of cash flows

For the year ended 31 May 2021

## Reconciliation of net (expenditure) / income to net cash flow from operating activities

	2021 £	2020 £
<b>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</b>	<b>(84,552)</b>	(16,663)
Depreciation charges	14,508	14,508
Losses / (gain) on investments	(166,779)	41,444
Loss on disposal of fixed assets	–	930
Gain on revaluation of fixed assets	(200,000)	
Dividends and interest from investments	(64,602)	(64,376)
Decrease / (increase) in debtors	(35,587)	96,884
(Decrease)/increase in creditors	(14,122)	9,254
Decrease/(increase) in cash held by investment broker pending reinvestment	–	(1,081)
<b>Net cash provided by operating activities</b>	<b>(551,134)</b>	<b>80,900</b>

	Note	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided by operating activities</b>			(551,134)		80,900
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		64,602		64,376	
Proceeds from sale of investments		4,459		3,220	
Purchase of fixed assets		–		(55,826)	
Purchase of investments		(59,362)		(57,627)	
<b>Net cash used in investing activities</b>			<b>9,699</b>		<b>(45,857)</b>
<b>Change in cash and cash equivalents in the year</b>			<b>(541,435)</b>		<b>35,043</b>
Cash and cash equivalents at the beginning of the year			886,663		851,620
<b>Cash and cash equivalents at the end of the year</b>			<b>345,228</b>		<b>886,663</b>

Notes to the financial statements

For the year ended 31 May 2021

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**1 Accounting policies**

**a) Statutory information**

Howard League for Penal Reform (incorporating the Howard Centre for Penology) is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 1 Ardleigh Road, London, N1 4HS.

**b) Basis of preparation**

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

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

The trustees do not consider that there are any 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.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donated services**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

**g) Investment income and interest receivable**

Investment income and interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the income due from the bank or investment manager.

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 May 2021

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**1 Accounting policies (continued)**

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of furthering the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**j) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- |                                      |     |
|--------------------------------------|-----|
| ● Campaigns, policy & research       | 20% |
| ● Events, conferences & publications | 20% |
| ● Legal services for young people    | 20% |
| ● Membership income                  | 20% |
| ● Support costs                      | 10% |
| ● Governance costs                   | 10% |

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- |                                      |     |
|--------------------------------------|-----|
| ● Campaigns, policy & research       | 25% |
| ● Events, conferences & publications | 20% |
| ● Legal services for young people    | 25% |
| ● Membership income                  | 20% |
| ● Raising funds                      | 10% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. These costs are split equally between the 5 activities listed above.

**k) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

Notes to the financial statements

For the year ended 31 May 2021

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**1 Accounting policies (continued)**

**l) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office equipment	10 per cent per annum
● Library books	15 per cent per annum
● Computers	50 per cent per annum

The trustees have adopted a policy of reporting freehold land and buildings at market value. The last full valuation was carried out on 4 May 2012. Interim valuations will be carried out at other times if it is likely there has been a material change in value.

The trustees are of the opinion that any potential depreciation charge would be immaterial to the accounts. The trustees believe the estimated life of the property to be very long and the estimated residual value of the property to be close to the carrying amount. As such, the property is not depreciated. Any gain or loss arising on revaluation is taken to the fair value reserve.

An annual impairment review on the property and other fixed assets is undertaken to determine if circumstances indicate that the recoverable value of assets is materially lower than their value in the accounts. Any impairments identified are written off as extra depreciation through the statement of financial activities.

**m) Listed 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. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**n) Accrued legal work income (WIP)**

Income is recognised on casework earned and due ("work in progress" or "WIP") according to the time booked on the matter multiplied by the relevant legal aid or interpartes rate.

**o) Debtors**

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

**p) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**q) Creditors and provisions**

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

**r) Financial instruments**

The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities.

**s) Pensions**

All staff are auto enrolled in a work place defined contribution pension scheme contributing 10% of gross salary.

## Howard League for Penal Reform (Incorporating the Howard Centre for Penology)

### Notes to the financial statements

For the year ended 31 May 2021

#### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donations	219,306	-	<b>219,306</b>	128,835	-	128,835
Legacies	26,939	-	<b>26,939</b>	141,806	-	141,806
	<b>246,245</b>	<b>-</b>	<b>246,245</b>	<b>270,641</b>	<b>-</b>	<b>270,641</b>

#### 3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Esmée Fairbairn	-	1,000	<b>1,000</b>	26,600	53,200	79,800
Tolkien Trust	-	-	-	-	40,000	40,000
Videoslota Ltd	-	-	-	-	448,277	448,277
Lloyds Bank Foundation	-	50,000	<b>50,000</b>	-	50,000	50,000
J G Hogg	-	40,000	<b>40,000</b>	-	40,000	40,000
Sub-total for campaigns, research & policy	-	91,000	<b>91,000</b>	26,600	631,477	658,077
Income from sales of publications	64	-	<b>64</b>	159	-	159
Income from conference fees	-	-	-	15,695	-	15,695
Sub-total for Events, conferences & publications	64	-	<b>64</b>	15,854	-	15,854
Participation project, Big Lottery	-	119,536	<b>119,536</b>	-	58,464	58,464
Barrow Cadbury	-	27,000	<b>27,000</b>	-	27,000	27,000
The Legal Education Trust	-	15,361	<b>15,361</b>	-	15,361	15,361
BBC Children in Need	-	26,255	<b>26,255</b>	-	17,881	17,881
Esmee Fairbairn	-	5,000	<b>5,000</b>	-	5,000	5,000
Legal services for young people	124,270	7,286	<b>131,556</b>	53,991	12,761	66,752
Sub-total for Legal services for young people	124,270	200,438	<b>324,708</b>	53,991	136,467	190,458
Membership subscriptions	119,436	-	<b>119,436</b>	118,621	-	118,621
Income tax recoverable on subscriptions /donations	42,051	-	<b>42,051</b>	41,935	-	41,935
Sub-total for Membership income	161,487	-	<b>161,487</b>	160,556	-	160,556
Total income from charitable activities	<b>285,821</b>	<b>291,438</b>	<b>577,259</b>	<b>257,001</b>	<b>767,944</b>	<b>1,024,945</b>

Howard League for Penal Reform (Incorporating the Howard Centre for Penology)

Notes to the financial statements

For the year ended 31 May 2021

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Rental & other income	5,699	–	<b>5,699</b>	42,170	–	42,170
Royalties for publications	16,095	–	<b>16,095</b>	16,726	–	16,726
	<u>21,794</u>	<u>–</u>	<u><b>21,794</b></u>	<u>58,896</u>	<u>–</u>	<u>58,896</u>

5 Income from investments

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from stocks and shares	63,830	–	<b>63,830</b>	59,213	–	59,213
Interest receivable	772	–	<b>772</b>	5,163	–	5,163
	<u>64,602</u>	<u>–</u>	<u><b>64,602</b></u>	<u>64,376</u>	<u>–</u>	<u>64,376</u>



Howard League for Penal Reform (Incorporating the Howard Centre for Penology)

Notes to the financial statements

For the year ended 31 May 2021

6a Analysis of expenditure (current year)

	Cost of raising funds £	Campaigns, research & policy £	Events, conferences & publications £	Legal service for young people £	Membership £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 8)	28,384	522,112	50,732	292,649	35,994	58,207	85,111	1,073,189	1,043,165
Other staff costs	-	2,399	-	1,084	-	8,850	795	13,128	3,294
Travel & Subsistence	-	1,644	-	-	-	-	-	1,644	25,088
Publication costs	-	10,123	-	754	37,383	772	-	49,032	87,952
Publicity & dissemination	144	11,357	-	703	-	-	5,441	17,645	17,567
Professional/Consultancy fees	-	55,451	-	10,423	-	-	300	66,174	83,789
Investment managers fees	1,822	-	-	-	-	-	-	1,822	3,495
Office and other expenses	-	-	-	1,596	-	-	15,279	16,875	24,249
Premises expenses	-	6,525	-	6,452	-	-	30,620	43,597	38,776
Volunteer expenses	-	-	-	-	-	-	-	-	101
Miscellaneous expenses	-	-	-	-	-	-	5,629	5,629	8,486
Equipment purchase	-	1,020	-	225	-	930	-	2,175	280
Irrecoverable VAT	-	-	-	-	-	-	3,743	3,743	22,214
Equipment maintenance	-	-	-	4,389	-	-	37,077	41,466	36,185
Bank Charges	-	-	-	-	-	-	7,931	7,931	7,677
Audit & accountancy	-	-	-	-	-	10,150	-	10,150	9,950
Depreciation	-	-	-	-	-	-	14,508	14,508	14,508
	30,350	610,631	50,732	318,275	73,377	78,909	206,434	1,368,708	1,426,776
Support costs	10,322	103,217	10,322	61,930	20,643	-	(206,434)	-	-
Governance costs	15,782	15,782	15,782	15,782	15,781	(78,909)	-	-	-
<b>Total expenditure 2021</b>	<b>56,454</b>	<b>729,630</b>	<b>76,836</b>	<b>395,987</b>	<b>109,801</b>	<b>-</b>	<b>-</b>	<b>1,368,708</b>	
Total expenditure 2020	55,150	721,124	84,840	439,661	126,001	-	-		1,426,776

Howard League for Penal Reform (Incorporating the Howard Centre for Penology)

Notes to the financial statements

For the year ended 31 May 2021

6a Analysis of expenditure (prior year)

	Cost of raising funds £	Campaigns, research & policy £	Events, conferences & publications £	Legal service for young people £	Membership £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 8)	27,349	458,738	60,660	273,893	50,231	36,243	136,051	1,043,165
Other staff costs	-	1,909	-	1,185	-	200	-	3,294
Travel & Subsistence	-	15,104	-	6,725	-	2,327	932	25,088
Publication costs	126	38,436	-	3,933	37,818	421	7,218	87,952
Publicity & dissemination	-	13,190	-	1,477	-	2,900	-	17,567
Professional/Consultancy fees	-	43,685	-	39,088	-	-	1,016	83,789
Investment managers fees	3,495	-	-	-	-	-	-	3,495
Office and other expenses	-	1,930	-	6,764	-	-	15,555	24,249
Premises expenses	-	-	-	6,349	-	-	32,427	38,776
Volunteer expenses	-	-	-	101	-	-	-	101
Miscellaneous expenses	-	-	-	2,432	-	-	6,054	8,486
Equipment purchase	-	-	-	280	-	-	-	280
Irrecoverable VAT	-	-	-	-	-	-	22,214	22,214
Equipment maintenance	-	-	-	4,393	-	-	31,792	36,185
Bank Charges	-	-	-	-	-	-	7,677	7,677
Counsels fees	-	-	-	-	-	-	-	-
Audit & accountancy	-	-	-	-	-	9,950	-	9,950
Depreciation	-	-	-	-	-	-	14,508	14,508
	30,970	572,992	60,660	346,620	88,049	52,041	275,444	1,426,776
Support costs	13,772	137,723	13,772	82,633	27,544	-	(275,444)	-
Governance costs	10,408	10,409	10,408	10,408	10,408	(52,041)	-	-
<b>Total expenditure 2020</b>	<b>55,150</b>	<b>721,124</b>	<b>84,840</b>	<b>439,661</b>	<b>126,001</b>	<b>-</b>	<b>-</b>	<b>1,426,776</b>

## Notes to the financial statements

## For the year ended 31 May 2021

**7 Net expenditure for the year**

This is stated after charging:

	2021 £	2020 £
Depreciation	14,508	14,508
Loss on disposal of fixed assets	-	930
Operating lease rentals:		
Equipment	6,527	9,160
Auditor's remuneration (excluding VAT):		
Audit	10,150	9,950
	<u>10,150</u>	<u>9,950</u>

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	865,376	845,552
Social security costs	89,379	90,731
Employer's contribution to defined contribution pension schemes	118,433	106,882
	<u>1,073,188</u>	<u>1,043,165</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021 No.	2020 No.
£60,000-£70,000	1	1
£70,001 - £80,000	2	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions and employers national insurance of the key management personnel were £485,738 (2020: £466,341)

Total termination costs in the year were nil (2020: £nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil). A trustee was supplied a laptop due to pandemic to assist the delivery of core work of the charity. Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £2,327) incurred by nil (2020: 4) members relating to attendance at meetings of the trustees.

**9 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Raising funds	1	1
Campaigns, policy & research	6	7
Events conferences & publications	1	1
Legal services for young people	7	6
Membership	2	2
Support	2	2
Governance	1	1
	<u>20</u>	<u>20</u>

## Notes to the financial statements

## For the year ended 31 May 2021

**10 Related party transactions**

Aggregate donations from related parties were £NIL (2020: £NIL).

There are no other related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**11 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**12 Tangible fixed assets**

	Freehold property £	Computers £	Office Equipment £	Library books £	Total £
<b>Cost or valuation</b>					
At the start of the year	1,200,000	27,626	81,304	2,018	<b>1,310,948</b>
Additions	200,000	-	-	-	<b>200,000</b>
Disposals	-	-	-	-	-
At the end of the year	<b>1,400,000</b>	<b>27,626</b>	<b>81,304</b>	<b>2,018</b>	<b>1,510,948</b>
<b>Depreciation</b>					
At the start of the year	-	19,897	35,412	2,017	<b>57,326</b>
Charge for the year	-	7,729	6,779	-	<b>14,508</b>
Depreciation released	-	-	-	-	-
At the end of the year	-	<b>27,626</b>	<b>42,191</b>	<b>2,017</b>	<b>71,834</b>
<b>Net book value</b>					
<b>At the end of the year</b>	<b>1,400,000</b>	<b>-</b>	<b>39,113</b>	<b>1</b>	<b>1,439,114</b>
At the start of the year	1,200,000	7,729	45,892	1	1,253,622

The freehold property at 1 Ardleigh Road, London, N1 4HS was valued at £1,200,000 on 4 May 2012 by Copping Joyce Chartered Surveyors LLP (independent valuers). The historical cost of the freehold is £650,000. An informal valuation was received from Chestertons on 13 September 2019 of £1,400,000. The Trustees consider that, after considering costs of selling, the value of the property is not materially affected.

## Notes to the financial statements

## For the year ended 31 May 2021

## 13 Listed investments

	2021 £	2020 £
Fair value at the start of the year	1,444,742	1,430,698
Additions at cost	59,362	57,627
Disposal proceeds	(4,459)	(3,220)
Cash	–	1,081
Net gain / (loss) on investments	166,779	(41,444)
	<u>1,666,424</u>	<u>1,444,742</u>
Fair value at the end of the year	<u>1,666,424</u>	<u>1,444,742</u>

## Investments comprise:

	2021 £	2020 £
UK Common investment funds	1,600,775	1,410,641
Shares listed on the London Stock Exchange	39,688	33,020
Cash	25,961	1,081
	<u>1,666,424</u>	<u>1,444,742</u>

## 14 Debtors

	2021 £	2020 £
Other debtors	10,965	4,279
Accrued Legal work income	66,347	27,381
Disbursements	18,387	5,624
Accrued income	12,266	35,094
	<u>107,965</u>	<u>72,378</u>

## 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,755	5,811
Taxation and social security	30,305	25,553
Accruals	36,631	52,449
	<u>69,691</u>	<u>83,813</u>

## 16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated property funds £	Designated strategic funds	Restricted £	Total funds £
Tangible fixed assets	39,114	1,400,000	–	–	1,439,114
Investments	–	–	743,051	923,373	1,666,424
Net current assets	347,841	–	35,661	–	383,502
<b>Net assets at 31 May 2021</b>	<u>386,955</u>	<u>1,400,000</u>	<u>778,712</u>	<u>923,373</u>	<u>3,489,040</u>

## Notes to the financial statements

For the year ended 31 May 2021

## 16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	929,011	324,611	1,253,622
Investments	-	702,828	741,914	1,444,742
Net current assets	348,344	-	526,884	875,228
<b>Net assets at 30 May 2020</b>	<b>348,344</b>	<b>1,631,839</b>	<b>1,593,409</b>	<b>3,573,592</b>

## 17a Movements in funds (current year)

	At 1 June 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 May 2021 £
<b>Restricted funds:</b>					
Legal work (Adviceline)	-	38,542	(38,542)	-	-
Big Lottery – Legal work	29,232	119,536	(103,069)	-	45,699
Sentencing– young adults	-	27,000	(26,500)	-	500
The Legal Education Trust	-	15,361	(15,361)	-	-
Reducing arrests of women	27,926	50,000	(66,110)	-	11,816
Fairness in prison	15,165	40,000	(15,165)	-	40,000
Crime & problem gambling	1,186,096	-	(360,738)	-	825,358
Criminal Care	10,379	1,000	(11,379)	-	-
Property	324,611	-	-	(324,611)	-
<b>Total restricted funds</b>	<b>1,593,409</b>	<b>291,439</b>	<b>(636,864)</b>	<b>(324,611)</b>	<b>923,373</b>
<b>Unrestricted funds:</b>					
Designated property funds:					
Property fair value reserve fund	550,000	200,000	-	-	750,000
Property historic cost fund	303,127	-	-	346,873	650,000
Total designated property funds	853,127	200,000	-	346,873	1,400,000
Strategic fund	778,712	-	-	-	778,712
Total designated funds	1,631,839	200,000	-	346,873	2,178,712
<b>General funds</b>	<b>348,344</b>	<b>792,718</b>	<b>(731,845)</b>	<b>(22,262)</b>	<b>386,955</b>
<b>Total unrestricted funds</b>	<b>1,980,183</b>	<b>992,718</b>	<b>(731,845)</b>	<b>324,611</b>	<b>2,565,667</b>
<b>Total funds</b>	<b>3,573,592</b>	<b>1,284,157</b>	<b>(1,368,709)</b>	<b>-</b>	<b>3,489,040</b>

## Notes to the financial statements

For the year ended 31 May 2021

## 17b Movements in funds (prior year)

	At 1 June 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 May 2020 £
<b>Restricted funds:</b>					
Legal work (Adviceline)	-	35,642	(35,642)	-	-
Big Lottery – Legal work	-	58,464	(29,232)	-	29,232
Sentencing– young adults	-	27,000	(27,000)	-	-
The Legal Education Trust	-	15,361	(15,361)	-	-
Reducing arrests of women	17,450	90,000	(79,524)	-	27,926
Fairness in prison	38,756	40,000	(63,591)	-	15,165
Crime & problem gambling	1,248,225	448,277	(510,406)	-	1,186,096
Criminal Care	13,600	53,200	(56,421)	-	10,379
Property	324,611	-	-	-	324,611
<b>Total restricted funds</b>	<b>1,642,642</b>	<b>767,944</b>	<b>(817,177)</b>	<b>-</b>	<b>1,593,409</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Strategic fund	778,712	-	-	-	778,712
Property and equipment	303,127	-	-	-	303,127
Property fair value reserve	550,000	-	-	-	550,000
Total designated funds	1,631,839	-	-	-	1,631,839
<b>General funds</b>	<b>315,774</b>	<b>683,613</b>	<b>(651,043)</b>	<b>-</b>	<b>348,344</b>
<b>Total unrestricted funds</b>	<b>1,947,613</b>	<b>683,613</b>	<b>(651,043)</b>	<b>-</b>	<b>1,980,183</b>
<b>Total funds</b>	<b>3,590,255</b>	<b>1,451,557</b>	<b>(1,468,220)</b>	<b>-</b>	<b>3,573,592</b>

**Purposes of restricted funds****Legal work (Adviceline)**

Specialist adviceline for young people in custody.

**Programme on reducing child arrests**

Programme for reducing child arrests.

**Sentencing – young adults**

A review of sentencing judgments for young adults.

**Reducing arrests of women**

Programme for reducing arrests of women.

**Fairness in prison**

A new programme to find ways of reducing conflict, violence and injustice inside jails.

**Crime and Problem Gambling**

This is a 3 year commission to look into the between problem gambling and crime, it commenced in January 2019.

**The Legal Education Trust**

Matched funding for Justice First Fellowship for caseworker in the Legal team 2 years started January 2020.

**Lottery Funding**

Participation work delivered by the legal team over 3 years – started March 2020

Notes to the financial statements

For the year ended 31 May 2021

17 Movements in funds (continued)

**Criminal care – ending the criminalisation of children in residential care**

Improving policies and practices of agencies and services for children in residential care.

**Property**

The value of the original restricted donation towards the purchase of the office. See transfers between funds note below.

**Purposes of designated funds**

**Property historic cost fund**

The value of the original historic cost of the property.

**Property fair value reserve**

Demonstrates the gain on the property revaluation compared to its historic cost.

**Strategic fund**

This fund is designated by the trustees to strengthen the Howard League position through a period of recession and uncertainty, and to fund income shortfall. Decisions to use this fund are agreed by the board on the basis of strategic principles set down during the budgeting process.

**Transfers between funds**

A transfer was made out of the restricted property fund to bring this fund to zero, as the trustees consider that the restriction on these funds was satisfied on the purchase of the property. The property and equipment fund was renamed the property historic cost fund and a transfer was made into this fund from the restricted property fund and from general funds to show the original historic cost of the property.

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Equipment	
	2021	2020
	£	£
Less than one year	5,200	10,051
One to five years	22,104	2,513
	<u>27,304</u>	<u>12,564</u>

19 Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods

	Property	
	2021	2020
	£	£
Less than one year	-	22,750
One to five years	-	-
	<u>-</u>	<u>22,750</u>

20 Legal status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.