

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 2022



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

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For the year ended 31 May 2022

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

## Reference and administrative information

For the year ended 31 May 2022

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**Company Number** 898514, registered in the United Kingdom

**Charity Number** 251926 registered in England and Wales

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

**Board members** Board members, who are also directors under company law and the charity trustees as defined by section 177 of the Charities Act 2011, 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, Honorary Treasurer  
Gerry Marshall  
Professor Fergus McNeill, Chair  
Elizabeth Morony, Vice Chair  
(to 5 July 2022)  
Professor Pamela Taylor  
Danielle Vidal

**Honorary President** Lord Ken Macdonald KC

**Key management personnel** Andrea Coomber KC (Hon.) (from 1 November 2021) Chief Executive  
Frances Crook (to 31 October 2021) Chief Executive  
Euginia Lolomari Director of Finance and Operations  
Andrew Neilson Director of Campaigns  
Anita Dockley Director of Research  
Dr Laura Janes (To 19 February 2022) Legal Director

## Staff

Debbie Adewale Administrative Assistant (until December 2021)  
Lorraine Atkinson Senior Policy Officer (until June 2022)  
Lee Brown Research Assistant (from June 2022)  
Dr Helen Churcher Research and Project Officer  
Dr Molly Corlett Policy and Public Affairs Officer (until July 2022)  
Poppy Cabbage Legal and Projects Support Officer  
Marie Franklin Solicitor  
Steve Gallant Development Support Officer (from January 2022)



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

## Reference and administrative information

For the year ended 31 May 2022

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### Book Review Editor

Dr Mary Rogan

Trinity College Dublin, University of Dublin, Ireland

### Publishing Editor

Brenda McWilliams

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

### Bankers

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

### Auditor

Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House  
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LONDON  
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### 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 2022

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The trustees present their report and the audited financial statements for the year ended 31 May 2022.

Reference and administrative information, set out on pages 1 and 2, forms part of this report. The financial statements comply with current statutory requirements, the memorandum, 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.

## **An introduction from the Chair of the Board, Fergus McNeill**

I am writing this a day or two after the appointment of Liz Truss as Prime Minister, and of her new Cabinet. Of course, the wider context of this latest political transition includes the tragedy and turmoil associated with the UK's experience of the Covid-19 pandemic. But the new Government also faces the inter-related and profound challenges of an ongoing war in Europe and of an energy crisis that threatens to plunge many people into severe hardship and even destitution. Both literally and figuratively, we can all sense the dark times ahead. The prospect of winter has become frightening in ways that we might have hoped had been consigned to history.

The field in which we work – criminal justice – is in no way immune to the impact of these wider challenges. Indeed, we know that whenever times are hard in society more generally, the hardships and deprivations caused or exacerbated by punishment tend to become even more acute. And our sector has its own challenges and problems: Barristers are on strike. Probation staff in the recently renationalised service are denied the right to express opinions to the parole board on key decisions. Inspection reports continue to show that our prisons are often overcrowded, unhygienic and ineffective in supporting rehabilitation and reintegration. The indictment could go on and on. Yet the government's policy – despite the economic and social crisis that the country faces – is to persist in throwing good (public) money after bad, further bloating our de-habilitating, dis-integrating, crime-generating penal system.

Despite all of this, there is much hope to be found in the pages that follow. Over the last year, the Howard League has seen the most significant and challenging transition in its recent history, and I have confidence that the complex work that our new Chief Executive has undertaken with the Board, the staff and the members, is successfully reshaping and refreshing the organisation. The Howard League now stands even more ready and able to work with others to challenge and change a status quo in our penal system that is, to put it simply, morally indefensible and financially unsustainable. This report provides numerous examples of how our team have worked with diligence, skill and commitment to present that challenge and support that change; sometimes case-by-case, as in our legal work, and sometimes through campaigning and research.

In all of this, we rely on the support of our members and our funders. One important aspect of our changing approach concerns how we engage with and mobilise our membership. If we're going to find a way out of the darkness of UK penal policy, then we may well need thousands of lights and torches. So, I want to end by asking, as you read what follows, please consider what part you might play in the work that lies ahead.

## Objectives and activities

The Howard League for Penal Reform is the oldest penal reform charity in the world. We were established in 1866 as the Howard Association, named after John Howard, the first English prison reformer. In 1921 we merged with the Penal Reform League, forming the Howard League for Penal Reform.

### Purpose and priorities 2019–2024

In 2019 the Board of the Howard League set the following strategic vision and priorities for the following 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 unlawful 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 evidence-based and research-informed
- Maintaining the culture of curiosity and ingenuity that allows us to respond to penal reform 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
- 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.

#### 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.



## Trustees' annual report

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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.

For the past three years, a key activity in respect of 'stemming the flow' has been the work of the Commission on Crime and Gambling Related Harms, which is run by the Howard League. We have also undertaken significant work in respect of the arrests of women and children, which is outlined below.

### 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, these should be as non-invasive and flexible as possible. Prison must be a true last resort.

The Howard League's legal team focuses on the quality of justice for children and young people in custody. Through our access to justice service, we advised hundreds of children and young people each year in advocating for their rights in prison and supporting their return to the community. In the past year we have undertaken several projects that aim to improve and better understand their experience in custody.

Our Campaigns team are committed to share the experiences of people in custody with the public, amplifying key findings from reports from Her Majesty's Inspectorate of Prisons and Independent Monitoring Boards. We also respond to government consultations and developments in Parliament, with a view to reducing the prison population and improving conditions in prisons.

### 3) Strengthening 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.

In the past year the new Chief Executive – supported by the Senior Management Team – has pursued significant change in respect of the governance and management of the charity, as outlined below.

## Values

Over the past year the charity has renewed its focus on its values as an organisation. The Board has agreed to six core values, which inform all of our work, internally and externally. These values are: Excellence, Courage, Integrity, Learning, Collaboration and Accountability. These values are the foundation of our work and the way we treat others

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For the year ended 31 May 2022

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and each other. To bring them to life, the staff has elaborated a Cultural Compass that details the behaviours and mindsets that should accompany each value. These are kept under regular review by the staff and by the Board.

## Public benefit

For more than 150 years, the Howard League has been advocating for prisons to be used as a punishment of last resort, and for the better treatment of people in prison. This is not just for the benefit of people in prison but recognises that society is made safer when penal policy is evidence-based and humane.

Direct beneficiaries of our work include: people living in prisons (on remand, post-conviction and post-sentence) and their families, including the children and young people who call our advice line and who receive representation from our legal team; people working in and running prisons; people who come into contact with police officers and who face court; people facing sentences; academics and students specialised in penal policy; practising lawyers, magistrates and judges; those providing support and supervision in the community including probation and community care workers; members of Parliament across parties and civil servants engaged in penal policy. Direct beneficiaries also include the public at large, including victims of crime, who benefit both from our direct communication about penal policy and the state of prisons, and from a criminal justice system that keeps them safe.

The benefits of our work are demonstrated through: successful outcomes for children and young people who call our advice line and are clients of our legal work; the press and media picking up stories based on our work; the adoption of our recommendations in government penal reform initiatives; the referencing of our contributions to government consultations; the adoption of our suggested amendments to legislation; the acceptance of our arguments in third-party interventions in court judgments; academics positively engaging with the issues on which we are working; and greater understanding among the public and decision-makers of penal policy.

The Board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Board considers how planned activities will contribute to the aims and objectives that have been set. While some activities are available only to members, these are in the minority and the vast majority of our work is available to the public free of charge. The Howard League website provides accessible information on our work to the public at large.

The Trustees confirm that they have paid due regard to the public benefit guidance published by the Charity Commission in deciding the aims, objectives and activities of the charity.

## Trustees' annual report

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The Board considers that the Howard League's activities are of public benefit in at least the following ways:

- provision of independent research and analysis to external bodies, including the senior judiciary, government and politicians across the political spectrum to assist in formulating law, policy and practice related to penal policy matters, which can have significant benefit for people in the UK;
- dissemination of research and information about penal policy directly to Howard League members, the press and media outlets, and others including: people in prison, people working in prison, judges, barristers, solicitors, chartered legal executives, students, advisers to governments and non-governmental organisations, who are then better able to advise public and private bodies about penal policy issues; and,
- offering conferences, lectures and other events on penal policy issues that are open to the general public to attend, to inform them about important issues which may affect their daily lives.

## Achievements and performance

The charity's main activities 2021–22 are described below. All its charitable activities focus on reform of the penal system and supporting those within it. These are undertaken to further the Howard League's charitable purposes for the public benefit.

### Stemming the flow

#### The Commission on Crime and Gambling Related Harms

The Commission on Crime and Gambling Related Harms (formerly the Commission on Crime and Problem Gambling) was set up three years ago to find new and better ways of preventing crime linked to gambling. This work is funded by the Gambling Commission (£1.8million over three years).

Chaired by Lord Peter Goldsmith KC, the Commission on Crime and Gambling Related Harms is comprised of 12 other Commissioners:

- Andrew Black, co-founder of Betfair
- Prof Henrietta Bowden-Jones OBE, FRCPsych, BA (Hons), DOccMed, MD (Imperial), Founder and Director of the National Problem Gambling Clinic
- (Retired) Assistant Chief Constable Matt Burton, Cheshire Police
- Dr John Chisholm CBE, Chair, Medical Ethics Committee, British Medical Association
- Jon Collins, Chief Executive, Prisoners' Education Trust
- Elizabeth Morony, Partner, Clifford Chance LLP
- Andrew Neilson, Director of Campaigns, Howard League for Penal Reform

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- Neil Platt, Clinical Director, Beacon Counselling Trust
- Sarah Ramanauskas, Senior Partner, Gambling Integrity
- Gerda Reith, Professor of Social Science, University of Glasgow
- Norma Stephenson OBE, Councillor, Stockton on Tees Borough Council
- Sue Wade OBE

In 2022, the Commission changed its name to reflect learning from research findings about people's lived experience.

Throughout 2021 and the first half of 2022, the Commission was largely focussed on research, building on the evidence base developed through an international literature review, and oral evidence sessions.

In October 2021, the Commission published *State of Play*, a briefing which summarises the evidence uncovered so far and makes some initial recommendations to government and policymakers.

This briefing was published in tandem with the Commission's first research report *Sentencers' understanding and awareness and treatment of problem gamblers*, conducted by Sarah Page (Staffordshire University), and in partnership with the Magistrates Association.

In 2022, the Commission published two further research reports:

- *"Surviving, not living": Lived experiences of crime and gambling* by Dr Lauren Smith (University of Lincoln)
- *Police awareness and practice regarding gambling related harms* by Dr Helen Churcher, the Howard League for Penal Reform

Building on Dr Lauren Smith's findings, the Commission developed two additional research projects, in partnership with BetKnowMore:

- Exploring the lived experience of women, crime and gambling related harm
- Exploring the lived experiences of people from ethnic minority communities, crime and gambling related harms

These projects use peer research methodology to amplify the voices of women and people from ethnic minority communities who have been directly affected by gambling harms and crime. The research teams are due to report to the Commission in October and November 2022, with reports published shortly after.

The Commission's final research project explores prison culture and gambling, entitled *Exploring people's experience of gambling in prison*. This peer research project is being conducted in a men's prison and is due to report to Commissioners at the end of November 2022.

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In addition to the focus on research, the Commission has been promoting its work and broadening its horizons in various ways.

In December 2021, The Commission made a submission to the NICE draft consultation on guideline scope for Gambling: identification, diagnosis and management.

On behalf of the Commission, Howard League staff engaged in two schemes aimed at enhancing the learning of the Commission:

- HarmLess community of practise, focusing on the experience of support practitioners and people from ethnic minority communities
- A policy review project conducted by LSE students, in tandem with learning platform Practera

We promoted the work of the Commission through a BBC Radio 4 File on 4 programme in June 2022, entitled *Gambling on Justice*.

Howard League staff and research teams continue to disseminate the work of the Commission and recent research findings: at academic conferences; to the Ministry of Justice; to Local Criminal Justice Boards; to Police and Crime Commissioners; and at upcoming political party conferences.

Finally, the work of the Commission will be showcased at the Howard League's upcoming conference 'Crime, Justice and the Human Condition', at Keble College, Oxford. The conference is supported by the funds of the Commission and will include: plenary sessions on gambling related harm; research presentations; bursary places for early career academics in the field; and an exhibition stand.

The Commission is expected to make a final report in early 2023.

### **Stemming the flow – the APPG on Women in the Penal System**

The Howard League provided secretariat and policy support to the All Party Parliamentary Group on Women in the Penal System (the APPG), latterly chaired by Jackie Doyle Price MP and Kate Green MP. Our huge thanks to Baroness Corston, who stood down as co-chair over this period and was appointed the Honorary President of the APPG.

As the secretariat for the APPG, we submitted evidence to the government consultation on the Prisons Strategy White Paper, questioning the rationale behind expanded prison places for women and for women serving short sentences, which contradicts the government's Female Offender Strategy. As the APPG, we also gave evidence to the Public Accounts Committee (PAC) inquiry into improving outcomes for women in the criminal justice system. The submission supported the aims of the Female Offender

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Strategy, namely to reduce the number of women in contact with the criminal justice system. It highlighted good practice by police services such as West Yorkshire, Durham, Avon and Somerset and Surrey to reduce arrests and divert women to support. Our Chief Executive appeared before the Committee and much of our evidence was picked up in the PAC's final report.

Project on reducing the arrest of women

The APPG concluded a three-year programme to reduce arrests of women, funded by the Lloyds Bank Foundation (£150,000). The fourth and final report under this grant was published in July 2022. [The Howard League | Arresting the entry of women into the criminal justice system: Briefing four](#)

During this year, we have met with representatives of several forces to learn more and discuss initiatives for reducing the arrest of women. This included meeting with: the Durham Constabulary and Durham children's services to find out more about their pilot scheme on reducing parental conflict; the Lancashire Women's Justice Group updating us on their 'Recourse' scheme, run in partnership with the Lancashire Constabulary (which was recognised as a runner-up in the Howard League Community Awards 2021); follow-up work with Humberside Police on guidance regarding pregnant women in contact with the police; and speaking to Cambridgeshire Police about their data sets and briefing on women coming into contact with police.

In September we responded to the College of Policing consultation on the scope of the review of the Code of Ethics calling for consideration of the experiences of women and policing. <https://howardleague.org/wp-content/uploads/2021/09/CoP-ethics.pdf>

We also responded to the Mayor's Office for Policing and Crime (MOPAC) Police and Crime Plan consultation and welcomed proposals for a distinct gender-informed approach for women in contact with the criminal justice system.

As the project has come to an end, we have reflected on successes and challenges in the work. We are pleased to have acted as an information hub for police services, Police and Crime Commissioners and NGOs working with women. We have recognised and shared good practice, encouraged forces to learn from their peers and develop good practice based on local needs. While we have been able to build good relationships with police services that are developing good practice, we have found it difficult to engage those who are not.

Inquiry on Women's Health and Wellbeing in Prison

Over the year the APPG held an inquiry into Women's Health and Wellbeing in Prison, which reported in April 2022. Evidence sessions were held on mental wellbeing,

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For the year ended 31 May 2022

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disproportionality, treatment and conditions and remand for own protection. This work was funded by a trust that has requested anonymity (£30,000).

The inquiry resulted in the publication of a report (<https://howardleague.org/publications/inquiry-into-womens-health-and-well-being-in-prisons/>) which highlighted the damaging impact of prison on women's lives. It noted that prisons are designed around the needs of a majority male population, meaning that women's health needs – medical and mental health – are rarely met. Poor outcomes for women in public health outside prison are amplified in prison; this is particularly true for women from racialised minorities. Most women enter prison with mental health problems, which are made worse through the prison experience. Fundamentally, most women in prison need not be in prison – very many are held on remand or on short sentences. Prison does little for these women, who in most cases need support and treatment rather than punishment.

We secured publicity for the report. Jackie Doyle-Price MP, as Co-chair of the APPG, spoke about the inquiry on Radio 4's Women's Hour and the APPG's findings were covered in the Telegraph, the Independent and the Justice Gap. The briefing paper was circulated to MPs and Peers as well as the Minister for Prisons and the Minister for Equalities, members of the Justice Select Committee and the Public Accounts Committee. It was covered in the Clinks women in the criminal justice system e-bulletin.

The APPG made submissions to Prisons Strategy White Paper and was in correspondence with the Public Accounts Committee, which led to the Howard League's Chief Executive giving evidence to the Committee as part of its inquiry on improving outcomes for women in the criminal justice system.

In light of the inquiry's work, the Howard League submitted evidence to the Justice Select Committee consultation on the use of adult remand. The submission referred to the disproportionality in the use of remand for women and people from Black and minority ethnic backgrounds and the use of remand for own protection for women.

After the APPG published a briefing on 2020 on the topic of remand for own protection, members of the APPG used the passage of the Police, Crime, Sentencing and Courts Bill in 2021 to table an amendment to see the practice ended. While the amendment was dropped at the Committee stage, the government committed to review the issue and new draft legislation published this year amends provisions in the Mental Health Act 1983 and the Bail Act 1976, which allow courts to remand people to custody because they are in mental health crisis. The Howard League has welcomed this development and will continue to press for repealing remand for 'own protection' or 'welfare' in all circumstances, including where courts mistakenly believe that it will protect someone from exploitation or abuse.

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The future of the APPG

In the summer of 2022, it was agreed that the secretariat function for the APPG should be transferred to the charity Women in Prison. This was in recognition of Women in Prison's significant reach in service provision and therefore expertise on issues affecting women in the penal system. Over the 14 years in which we have hosted the APPG, the Howard League has benefited greatly from the support and advice of countless MPs and members of the House of Lords, from women's prison advocates and support workers and from women with lived experience of prison. Our thanks to them all, but particularly to Baroness Corston. We wish the APPG all the best for its future success based at Women in Prison and look forward to supporting its work in the years to come.

**Racial disparity in youth justice**

This year has seen the launch of a new programme of work on addressing racial disparity in youth justice, which builds on previous child arrest work and on our 2021 guide for anti-racist lawyering. Funded for the next three years by the Esmée Fairbairn Foundation (£80,000 a year), the project commenced in May 2022 with the recruitment of a new policy officer.

Work to date has focused on setting up the parameters and key elements of the project, which include the formation of an Advisory Board. With partner organisations, we are exploring key challenges for the fair treatment of children from racialised minorities in the criminal justice system. While areas of work are emerging, we expect to explore themes of 'adultification', overuse of remand and considering 'joint enterprise' convictions through the prism of racial disparity.

**Supporting crime-cutting projects**

The Howard League Community Awards attract a flood of entries every year and, once again, it was striking to see so many schemes deserving of recognition and praise for their excellent work in the community. The range and diversity of the nominated programmes, each delivering services under such difficult circumstances during the pandemic, was remarkable.

From the high-quality field of nominations, 40 entries from England, Wales and Northern Ireland were shortlisted for the 2021 Community Awards, giving them the chance to promote their work on the national stage. They tuned into a Howard League online celebration in October, with 21 winners and commended entries being announced. Shortlisted projects showcased their work on our online event platform exhibition hall to promote their work and best practice ever further. A list of all the winners can be found on our website.



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A new category 'Racial Disparities in Youth Justice' was introduced into the awards this year to reflect the importance of this issue and the Howard League's new work stream. Also, a new criterion this year asked for the nominated organisations to demonstrate the use of lived experience in shaping the work they do. A reference from someone with lived experience of the project or organisation was supplied with each nomination. This information added real depth and colour to each nomination, firmly placing its work in context. The awards have attracted 46 nominations across eight categories. The internal shortlisting occurred in mid-August, with a shortlist of 32 nominations.

The judging panel will be meeting on Thursday 9 September to agree the final shortlist and winners for 2022 awards. The winners will be announced on Tuesday 22 November at our online ceremony.

### Government and public affairs

The most significant political developments for criminal justice policy in this reporting year were the passage of the Police, Crime, Sentencing and Courts Bill and the publication of the Prisons Strategy White Paper.

In late 2021, the Howard League worked on amendments addressing the issue of IPPs in the Police, Crime, Sentencing, and Courts Bill. Although these amendments were not successful, the government did commit to reviewing current policies in light of a justice select committee inquiry into the sentence. We made our own submission to this inquiry in November.

In February 2022, the Howard League published its response to the Prisons Strategy White Paper consultation: [Howard League response to the Prisons Strategy White Paper.pdf \(howardleague.org\)](https://www.howardleague.org/Howard-League-response-to-the-Prisons-Strategy-White-Paper.pdf). Our response raises serious concern about the direction of travel of prison policy in increasing the prison population by 25%. While the White Paper hopes to improve both the experience of imprisonment and the outcomes for prison leavers, it is unclear to us how this could possibly be achieved in a context of an ever expanding prison population.

Over this year we have also responded to dozens of government and statutory consultations on a wide range of issues including human rights, law, sentencing and the treatment of children.

The charity is regularly consulted by ministers, officials and parliamentary committees. In June, our Chief Executive gave evidence in a private session to the House of Lords Constitutional Affairs Committee on the Queen's Speech. Our Chief Executive has regular

## Trustees' annual report

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meetings with relevant Ministers, as well as with the shadow justice teams, senior judges and senior civil servants.

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.

## Better Justice

### Advice and legal representation for children and young adults

Children and young people in custody have distinct needs and are a growing, under-supported group of the prison population. Highly vulnerable and often facing long sentences, they need support in advocating for their own rights, as well as advocacy on their behalf.

We are proud that the Howard League runs the country's only dedicated advice line for children and young people in custody. With support from BBC Children in Need (see below), this year we were able to extend the hours of the advice line, allowing us to support more children and young people in distress.

Between 1 August 2021 and 31 July 2022, the legal team provided advice and assistance to 132 children under the age of 18 and 240 young people between the ages of 18 and 21 in 526 separate matters.

We gave these children and young people specialist legal advice about a range of different issues, including their treatment in custody, adjudications, transfers, and release planning. We explained their legal rights and entitlements, advised on them on how they could take action themselves and took action and advocated on their behalf. We also signposted and referred them to other firms of solicitors and organisations.

We pursued 74 cases, funded by Legal Aid, to help children and young people with treatment issues in custody, adjudications, recall and parole and resettlement. Half the cases saw us argue for young people to receive help with accommodation and support that their local authorities had a statutory duty to provide to them after leaving prison.

In July 2021, the Supreme Court ruled against our challenge – in *A.B. v Secretary State for Justice and the Youth Justice Board* – on behalf of a child who had been held in solitary confinement for 55 days. In December 2021, we submitted the case to the European Court of Human Rights, arguing that this treatment was inhuman and degrading, and that this represented an interference with his private life. We await the communication of the application to government.

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In May 2021 we issued a challenge to the use of restraint on a child in his own cell in a young offender institution for compliance purposes. We argued that this was unlawful and a breach of the client's rights under the Human Rights Act. In July 2022 the Ministry of Justice settled, committing to review the draft policy frameworks on behaviour management and physical restraint in youth custody and on body-worn video camera footage taking into account the client's experiences among other things. Our client also received a financial settlement. We await publication of the final versions of the policy frameworks.

The Howard League has worked for years on issues of 'adultification' and this year we commissioned Chocolate Films to produce four, four-minute films on the distinct needs and characteristics of young adults in the criminal justice system. The films were launched on 13 October 2021 at a joint event with the Transition to Adulthood (T2A) Alliance. The event was hosted by Her Majesty's Prison and Probation Service (HMPPS) so as to encourage attendance from court and probation staff. We are working with stakeholders to ensure that the films are used to train practitioners across the sector, including probation staff, judges, magistrates and lawyers.

### **Project work on better justice for children and young people**

We have pursued several projects aimed at improving the quality of justice for children and young people in custody.

#### Improving children's understanding of their rights

In May 2019 we were granted four years of funding (including a year of extension funding; (£26,584) by BBC Children in Need to work to improve children's knowledge of their rights and skills at dealing with authority, and to promote their rights through advocacy and intervention on their behalf. We have used this funding to advise children in custody about their legal rights and entitlements through our access to justice service. The funding has allowed us to extend our advice line hours.

This year we ran two rights-based workshops with children in a secure children's home. These were run with the UK's Comics Laureate and used the medium of comic books about heroes, monsters, and mythical creatures to allow children to share their own experiences and discuss their key rights under the United Nations Convention on the Rights of the Child. The workshops empowered children to understand their rights and that lawyers can be accessible and helpful. We subsequently used vouchers donated by a member of the Howard League to buy comic books for the secure children's home's first comic book library.

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Empowering young people in custody

In April 2020, we received three years of funding from the Big Lottery (£366,556) to work on empowering young people in custody to understand and use the law to achieve better outcomes for themselves, to embed good practice, and to encourage lasting systems change.

This year we used the funding to launch a project to understand and support children on remand in prison with their unmet legal support needs. The aim was to understand, in discussion with professionals, why children had been remanded to custody and to see if they could be supported to get bail. Alongside legal casework, the Howard League talked to children about their experiences on remand and their perceptions of what led to it. In September 2021 we met with the second cohort of young people on remand at HMYOI Feltham. We met with three children and one 18-year-old to support them with bail, resettlement, and letters of mitigation and discuss their experiences of being on remand.

During the project we advised 13 children and young people and published two briefings. The first summarised the legal issues faced by children on remand. The second, published in May 2022, focused on the experiences, voices, and lessons to be learned from five of the young people. We are currently working with a barrister who specialises in youth justice to produce further resources for lawyers working with remanded children.

The final year of the project will focus on strengthening information on in-cell technology. We surveyed 130 children across three different prisons about how they use in-cell technology with a view to producing accessible legal education resources for children which they can access in their cell.

Understanding young adults on remand

In July 2022, we received a grant from the Barrow Cadbury Trust (£20,000) to complete a seven-month project about young adults on remand. We want to better understand the personal experiences of young adults on remand and help them and the professionals working with them, to have a better understanding of the law and their rights. The project started in August 2022, and we will be working with young people on remand at HMP Wormwood Scrubs.

**Justice and Fairness in Prison**

Beyond children and young people, the Howard League continues to be a leading and sought-after commentator on the state of justice and fairness in prisons. This work was supported by the Hogg Trust (£40,000).

Trustees' annual report

For the year ended 31 May 2022

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Though COVID-19 has moved into the background of daily life outside prison, it continues to cast a long shadow over life in prison. In order to better understand the realities of the pandemic and beyond it, we asked our members in prison and their families to share their better experiences of prison over the past two years. We learned that responses to the pandemic have exacerbated poor mental health in prison, with the suspension of family visits increasing the sense of isolation and desperation of many. The loss of experienced prison staff during the pandemic has slowed the return to normal regime in many prisons, with thousands of people still locked in cells 22.5 hours a day.

Beyond informing our policy work, we have brought these experiences to public attention over the past year, though work with the press, media and through blog posts. We regularly speak to the media in response to reports of Her Majesty's Chief Inspector of Prisons and Independent Monitoring Boards, providing context for reports of particular prisons.

We have responded quickly to issues of serious concern in prison, for example to the official statistics on deaths in custody, which in 2022 reached the highest level since current recording practices began.

Our experienced communications team have worked hard to ensure that issues relating to justice and fairness are in the news. For example, Politics.co.uk ran an article by our Chief Executive, Andrea Coomber, reflecting on the last 12 months in prisons and looking ahead to the changes we need to see in 2022. We wrote an article for i news about the government's White Paper on prisons. And we spoke to the Bloomberg Westminster podcast about the projected rise in the prison population and the problems this would cause. The Guardian came to us for comment after it obtained data on the number of misconduct investigations faced by prison staff. The story was also covered by Inside Time.

In the last year, we have shared our expertise and set up meetings with media outlets for smaller single-issue NGOs that with limited communications capacity and contacts. This has been motivated by a renewed commitment to collaborative, partnership working, and also by recognition of the importance for our cause of amplifying the experiences captured by NGOs close to the ground.

We continue to improve our ways of communicating out work. At the end of August we had: Twitter – 34.4K followers; Facebook – 5,418 likes; YouTube – 274 subscribers; and Instagram – 856 followers. In the year from September 2021 to August 2022, we had 70,167 use our website, who combined for 94,233 sessions and 185,193 page views.

## Consolidating the research base

The Howard League's deep and long-standing connections to academic research in the criminal justice field are unparalleled. This year we both celebrated the 100<sup>th</sup> anniversary of the Howard Journal of Crime and Justice and planned a big International Conference to explore key contemporary challenges. Our Research team also led on six large research projects as part of the Commission on Crime and Gambling Related Harms.

Over the year, we published five issues of the Howard Journal. One – Volume 60 S1 – was an online-only publication to celebrate the centenary of the Howard Journal, which mirrored the content of the first journal with contributors reflecting on the relevance of concerns raised in 1921. The issue was discussed at a well-attended webinar chaired by Howard Journal Editor-in-Chief Professor Ian Loader in October 2021.

The Howard Journal has continued to grow in its reach and impact. The past year has seen a marked expansion in readership of the Journal, with a 39% increase in downloads and the Journal enjoys a 60% acceptance rate, with an increasing proportion of contributors coming from abroad.

The Research Advisory Group (RAG) continues to grow, with five new academics joining on the back of a competitive process. We are working with the RAG to drive membership and engagement among new thinkers in the space. Beyond the RAG, our Early Careers Academics Network (ECAN) seeks to engage new academics on issues relating to the Howard League's work. In the past year we have published three ECAN bulletins, one of which focused on reuniting probation.

Both the ECAN and the RAG have been involved in the development of our upcoming *Howard League International Conference 2022 – Crime, Justice and the Human Condition*. The event will be held at Keble College, Oxford on 13–14<sup>th</sup> September and will bring together more than 300 academics, practitioners and activists concerned about criminal justice. We have been overwhelmed by the volume and quality of abstracts submitted, and it looks set to be an exciting and challenging event. With a focus on reshaping the justice system, the Conference will help frame future work and partnerships for the Howard League.

## Strengthening the charity

Inevitably, the arrival of a new Chief Executive in November saw renewed attention paid to the management and governance of the charity.

### Membership

Members are key to the success of the Howard League; they provide vital funds while often offering valuable insights into the operation of the criminal justice system and lending authority to our work. We are keen to better understand our membership and to make better use of their expertise and experience in driving our work. To this end, in February 2022 we surveyed our members for the first time. The survey – which was completed by 575 members – revealed that a high proportion of our members work in education, criminal justice and the law. Members want to be more involved in our work and want their knowledge and experience to be utilised where appropriate. Our survey also highlighted the importance of using the unique insights of our members in prison, as well as family members of those in prison, to aid our learning and support our evidence base for change.

With the allocation of funds from the Strategic Fund, we have invested in a new database that will allow us to manage our membership and development contacts better and more safely. Our move to the new database – while still afoot – is resulting in the cleansing of our data. We have around 9,000 members at the time of writing, including around 500 members in prison and 900 family members of people in prison. This is fewer members than previously understood, and while the exact figure is not yet clear, our new system will allow us to ensure clear and accurate data.

With a new Membership Officer in post, we are reviewing our membership strategy, and refreshing our approach to membership benefits, recruitment and retention. We very much hope that our members will help spread the word about the Howard League's work and why prison isn't the answer to crime.

### Fundraising

We are immensely grateful to all the individuals, and trusts and foundations that have supported our work.

Since the arrival of the Chief Executive, we have strengthened our development function, shuffling staff internally to increase focus on fundraising and recruiting a Development Support Officer to generate a pipeline of funders and applications.

## Trustees' annual report

### For the year ended 31 May 2022

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Trusts and foundations play a critical role in supporting the work of the Howard League. Over the year, we have received a number of grants from trusts and foundations, both as restricted and unrestricted income, detailed below.

We received new restricted grants or donations from:

- Esmée Fairbairn Foundation (£80,000 a year for three years; restricted to work on youth justice and young people)

We continued to receive a number of restricted multi-year grants for existing projects, details of which are provide above. These were:

- Big Lottery – Integrated legal advice, education, participation and change for young people in the Criminal Justice System (£366,556 over three years 2020–23)
- Children in Need – Legal advice line (£25,584 continuation funding one year)
- Legal Education Trust – Justice First Fellowship (£47,926 over two years 2022–24)
- Lloyds Bank Foundation – Arrests of women (£50,000 per year for three years – completed February 2022)

We have continued to receive unrestricted support from: The Hanley Trust (£1,000); Esmée Fairbairn Foundation (£5,000); Jolanta and Max Neufeld Charitable Trust (£10,000); Oakdale Trust (£3,000); WF Trust (£500); and William P Bancroft Charitable Trust (£1,000)

We've received £34,919 in unrestricted income from gifts in wills, from 5 different individuals.

## Events

The reverberations of the pandemic continued into this year, with most of our events held online. The following events were held online, and free for the public:

- In Conversation with Justin Russell, September 2021
- Ending custodial remand event, with Transform Justice, September 2021
- Ian Hislop in conversation with Frances Crook, September 2021
- In Conversation with Laura Janes, February 2022
- In Conversation with Angela Kirwin, June 2022
- In Conversation with Tristan Kirk, July 2022

In May 2022, our new Chief Executive delivered the annual Parmoor Lecture, entitled *Son of a Convict: law, human rights and the politics of punishment*. Our thanks to Clifford Chance LLP for generously hosting the event.

In addition, we held two 'Law and Practice Seminars' – one in October 2021 on the Howard League films on young adults in the criminal justice system, the other in June



Trustees' annual report

For the year ended 31 May 2022

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2022 on Crime, Care, Discrimination and Remorse: Children in the Justice System, hosted by Doughty Street Chambers.

In addition to the above, Howard League staff members regularly attended and spoke at a wide range of conferences and events.

## Financial review

For the year ended 31 May 2022, the Howard League recorded a net deficit, before other recognised gains and losses, of £786,896. Our investments unrealised gains was £2,131.

### Income

Total income received in 2021/2022 decreased by 7 % to £854,720 (2021: £917,377). Details of how this has arisen are shown below.

### Donations and legacies

£248,643

### Charitable activities

£533,193

### Trading activities

£14,755

### Investments

£50,735

### Others

£7,394

### Expenditure

£1,641,616

### Staff costs

Staff costs account for nearly 72% of the total costs of the organisation and have increased by just over 10% from 2020/21. During the year, the total average FTE headcount increased to 25 (2021: 19)

Trustees' annual report

For the year ended 31 May 2022

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In early 2022 the Chief Executive led a benchmarking exercise and review of staff salaries. This resulted in new salary scales being adopted, the movement of some staff across scales, an increase to some staff salaries and a ring-fencing of senior staff salaries. The new scale came into effect at the beginning of the 2022/2023 financial year.

### **Costs of generating funds**

The cost of generating funds makes up 4.5% of our overall expenditure, an increase this year from £56,454 to £73,004. This includes fundraising salary costs and overhead costs based on staff time attributable to the fundraising function.

### **The Strategic Fund**

The Strategic Fund is a designated fund set aside by the trustees to support the infrastructure of the Howard League. In this financial year, we have drawn down on the Strategic Fund to increase the IT infrastructure in the office (extended cabling and wifi in the office; the purchase of laptop devices for all staff). Investment in development work (fundraising) and other staff termination expenses has seen a drawn down on the Fund of £158,008.

The charity has sufficient resources to settle its liabilities as they fall due in the foreseeable future.

### **Principal risks and uncertainties**

As part of the governance review, the Howard League is in the process of reassessing its approach to risk. To this end, we expect a new risk management strategy to be adopted in the coming year. Risk is currently monitored regularly by the Senior Management Team and the Board; with the new Finance, Audit and Risk Committee also having review of risk on its agenda.

At present, the main risks identified on the register are retention of key staff; staff recruitment; major disaster; safeguarding; income generation; public perception and the inability of the organisation to influence government policy. For each risk, factors in mitigation are in place and there is regular review against performance.

Beyond the register, the transition to a new Chief Executive, particularly after 35 years of the former, represents a significant and challenging transition for the organisation and therefore risk to the charity. The Chair and Treasurer of the Board are providing regular oversight of and support to Andrea. We are reassured in the fact that Andrea is an experienced NGO leader, with a strong track record of successful leadership of JUSTICE.

Trustees' annual report

For the year ended 31 May 2022

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The leadership transition also provides a vital opportunity to reconsider priorities, refresh approaches, rethink roles and reset relationships within and beyond the organisation. Over the past ten months, Andrea has developed strong and constructive working relationships with the Board, the staff and with others in the sector. We are confident that the transition is going very well, despite the profound sector-wide and social challenges noted in the Chair's report above.

### Reserves policy and going concern

Both the Board and the Howard League's supporters recognise that the organisation operates in a policy environment that requires a long-term commitment if it is to achieve its mission. The nature of our work relies on high quality and timely product from staff. Therefore, it is the view of the Board that the Howard League needs a reserves level that will enable it to continue to attract the highest level of staff expertise and, in so doing, meet its long-term commitments to its supporters and beneficiaries.

Each year the Board reviews the reserves policy, taking into consideration any major risks and the impact these could have on planned income and expenditure. Our current policy is that unrestricted reserves on average equivalent to at least 12 months' running costs (c£2,087,161 based on our 2022-2023 budget) are needed if the Howard League is to deliver on its commitments, meet the long-term expectations of its supporters and beneficiaries, and continue to attract the highest level of staff expertise with which to do so.

It is important to us to grow the Howard League so that we can keep up with demands of the work that is needed, and we are committed to doing this in a sustainable way. Despite our relatively strong financial position, it remains important that we maintain our reserves at the agreed level. We keep a close eye on these and our cash flow throughout the year.

At the close of 31 May 2022, the Howard League had £857,555 (2020-2021: £1,165,667) in general reserves which is below the Board's reserves policy of 12 months' running costs. The Howard League's reserve funds are held in a mix of fixed interest deposit accounts and equity-based common investment funds, with the aim of securing and sustaining the charity's strong financial foundations.

These reserves are comprised of general unrestricted funds and endowment funds that are not tangible fixed assets (general unrestricted funds of £2,257,553 less tangible fixed assets of £1,400,000. See note 16a of the accounts for more details.

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

**Trustees' annual report**

**For the year ended 31 May 2022**

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In the coming year, the Howard League's Finance, Audit and Risk Committee and Board will review its reserves policy.

## Plans for the Future, from Chief Executive Andrea Coomber

At the time of writing – 31 August 2022 – I am ten months into leadership of the Howard League, with my tenure covering just over half of the work covered in this Trustees Annual Report. On appointment I inherited from the indomitable Frances Crook an organisation with a rich and proud history of penal reform, with a highly committed and experienced staff and with a strong public profile. The three pillars of the current strategy – stemming the flow of people into the criminal justice system, increasing the quality of justice in prison, and strengthening the charity – provide a solid foundation upon which to build the work of the organisation and the impact of its activities. With this strategy ending in 2023, the coming year will see a refresh in line with a changing, and increasingly challenging context.

Much of my time at the Howard League to date has revolved around clarifying and developing our values and a culture which will allow our staff, and therefore the work, to flourish. While this is an ongoing process, the coming year will see us build on these foundations by refining the strategies and methodologies that will maximise our impact as an organisation. We will develop a theory of change that clearly identifies the role of the Howard League as a leading commentator and actor in the criminal justice sector in England and Wales, and that sets out activities against which we can measure our impact.

This is a critical time for the criminal justice system generally and prison policy in particular. In the context of a cost-of-living crisis, the government has committed to increasing the prison population by 25% in the next three-and-a-half years. This is despite an abundance of evidence that prison does little to deter crime; instead it disrupts, derails and devastates lives in a way that feeds criminality. Many of our prisons, even the 'good ones', are hot beds of poor mental health, violence and hopelessness, which sees nearly half of those released reoffend within a year. And it costs the taxpayer a fortune.

The Howard League has an important role in lifting the lid on life in prison and explaining to the public what the politicians already know but refuse to acknowledge: that prison doesn't cut crime. It follows that we have to support politicians to develop the courage required to make evidence-based policy. We will also hold them to account for the harms they cause when they fail to do so. The Howard League has always challenged injustice in the criminal justice system, and we will continue to do this, through campaigns and policy work, as well as through litigation.

In recent months we have reshaped staffing around our communications function which

Trustees' annual report

For the year ended 31 May 2022

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will see us refresh the way we speak to our members, supporters and the public. This will include redesigning our website, honing our messages and reinvigorating our social media presence. We will launch an events programme, online and in person.

I am particularly keen to make more of our membership, using members to shape and advocate for our work. We will build on our membership survey and find ways to build the membership and to bring members closer to our work, including the experience of members in prison and their families.

We will continue to build our development function, diversifying income streams. We will focus fundraising efforts on deepening relationships with existing donors and on developing new relationships, focusing on unrestricted, multi-year funding opportunities. We will establish a Development Board, and with its support start to build a major donor funding programme, providing opportunities for supporters to engage meaningfully with our work and beneficiaries.

I have invested a lot of time in the past year updating our 'back office', which is vitally important for a sustainable, effective organisation. This process should be completed by the end of the coming year.

I have spent much of the last 10 months meeting others in the sector to understand their work and where they see the Howard League advancing change in the criminal justice space. I have spoken to our members, people in prison, prison governors and staff, civil servants, politicians of all shades, and NGOs in the criminal justice sector. I have been invited to prisons, to women's centres and drug rehab centres, and to see advice lines and innovative services in action. I have been overwhelmed by the warmth of the welcome and by the spirit of collaboration and support that has greeted me. There is enormous goodwill for the work of the Howard League and a strong belief in the importance of the Howard League as powerful voice for and of the sector.

Finally, I would like to thank our members, donors, funders and staff for their support during this period of transition. Frances has built a fantastic organisation with an important and distinct voice; I look forward to seeing it grow in stature and impact over the years to come.

Andrea .

## Structure, governance and management

### Staffing

As is typical with a leadership transition, the past year has seen some movements in staff. We are grateful to Dr Laura Janes, Barbara Norris, Philip Goring, Lorraine Atkinson and Dr Molly Corlett for years of service and wish them well. Putting inclusion at the heart of our recruitment practices, we have successfully recruited four new members of staff who, along with other valuable skills and experience, bring lived experience of prison to the team. In 2021 the Howard League received registration as a London Living Wage employer and will in future be paying all interns the London Living Wage.

With the support of the Legal Education Trust (£48,426), we were able to recruit a new Justice First Fellow – a trainee solicitor, who joined us at the beginning of 2022.

The nature of the Howard League's work can be challenging and upsetting. To support staff, and to nurture a healthy organisation, we have engaged an experienced clinical practitioner, Patrick Mandikate, to work with staff on a fortnightly basis.

The last year has also seen the introduction of new staff management systems and processes to streamline planning and evaluation of our work. We are hugely grateful to Nina Williams and her colleagues at Freshfields LLP for their advice and guidance to our human resources function. With support from the Strategic Fund\*, we have invested in stronger IT infrastructure, including upgrading the office cabling and wifi, and providing laptop computers to all staff.

### Governance

We are a registered charity and a company limited by guarantee, incorporated in England and Wales. As our constitutional documents were adopted in 1967, the Board is in the process of updating them to ensure that they both reflect our core activities and best contemporary governance practice.

As part of the governance review, all policies and procedures are being checked and updated. We are grateful to Erica Handling and to Dechert LLP for their support with this process.

### The governance structure

The Board members of the Howard League are directors of the company for the purposes of the Companies Act and are charity trustees as defined by section 177 of the Charities

Trustees' annual report

For the year ended 31 May 2022

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Act. All Board Members give their time voluntarily and receive no benefits from the charity. The Board is responsible for the overall governance of the Howard League.

The Chief Executive, Andrea Coomber, is responsible for leadership and management of the charity, meeting regularly with the Chair of the Board, Fergus McNeill, and consulting other Board members as required.

The Howard League is managed by the Senior Management Team, comprising: Andrew Neilson (Director of Campaigns); Euginia Lolomari (Director of Finance and Operations) and Anita Dockley (Research Director). Since the departure of the Legal Director in February 2022, Managing Lawyers Sinead MacCann and Claire Salama have joined the Senior Management Team on an interim basis. Euginia Lolomari meets regularly with the Treasurer, Sally Lewis, to review and discuss financial performance and challenges.

#### Operation of the Board

Board members are appointed at the AGM and there must be a minimum of three members and a maximum of 12; we currently have 8 in post. The Board meet in regular session four times per year, where they consider overall strategy, operational performance and the financial situation. They also have an annual Away Day for strategy development.

The Howard League generally recruits Board members from within our membership. Board members are appointed at the AGM for a three-year term. In line with recommendations of the UK Charity Governance Review of 2016, the proposed revised articles of association will see the introduction of two-term limits for Board members, with the Chair and Treasurer serving for four years.

Board places are advertised in advance of the Annual General Meeting at which members are appointed. Board members have the power to appoint any person at any time to the Board to fill a vacancy, although this person will stand down and be re-elected at the next Annual General Meeting.

All new Board members are inducted by the Chief Executive, invited to meet with staff, and are provided with an induction pack which includes the Charity Commission guidance on the responsibilities of Trustees, the Charity Governance Code and copies of the articles of association, latest strategy, annual review, accounts and organisational structure.



## Trustees' annual report

For the year ended 31 May 2022

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All Board members are encouraged to attend training sessions offered by our auditor on the roles and responsibilities of trustees and the dates of these training sessions are circulated on a regular basis.

### Finance, Audit and Risk Committee

Set up in mid-2022, the Finance, Audit and Risk Committee comprises of two Board members – including the Honorary Treasurer – and three members of the Howard League with relevant expertise. The current members are: Sally Lewis (Hon. Treasurer); Ben Elger; Gerry Marshall (Trustee); Lucy Robinson; and Delbert Sandiford.

The Committee will meet four times, with the Chief Executive and Director of Finance and Operations also attending.

Among other things, the Committee's role is to:

- review the detailed draft annual budget and recommend its approval to the Board;
- monitor in-year financial performance via receipt of regular management accounts and monitor the overall financial position via regular cash and investment reports;
- review the statutory accounts and Trustees' Annual Report and recommend them to the Board;
- review and act upon, where appropriate, the findings from the annual audit as detailed in the post-audit report;
- review the relationship with the auditor and ensure that independence and objectivity is maintained;
- review and maintain an up-to-date risk register;
- ensure organisational policies that are important to the financial health of the charity are relevant and up to date (e.g. reserves, trading, whistle-blowing, disaster recovery policies);
- review remuneration and fair pay;
- act as a sounding board and provide advice and guidance to the Chief Executive and Director of Finance and Operations in meeting their responsibilities; and
- monitor the performance of finance and discuss and review any proposals for significant structural and operational changes.

### Statement of responsibilities of Board Members

The Howard League's Board members (who are directors of Howard League for the purposes of company law and the charity trustees as defined by section 177 of the Charities Act 2011) are responsible for preparing the Trustees' Annual Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees' annual report

For the year ended 31 May 2022

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Company law requires the Board 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 Board is 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.

Board Members 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 Board is aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The Board has 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 Board 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 Board are members of the charity,

Trustees' annual report

For the year ended 31 May 2022

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but this entitles them only to voting rights. The Board have no beneficial interest in the charity.

**Auditor**

Sayer Vincent LLP serves as the charity's auditor.

The Trustees' annual report has been approved by the Board on 11 October 2022 and signed on their behalf by

A handwritten signature in black ink that reads "Fergus McNeill". Below the signature is a horizontal line with an arrow pointing to the right.

Fergus McNeill  
Chair, Board of Trustees

## Independent auditor's report

To the members of

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

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### Opinion

We have audited the financial statements of Howard League for Penal Reform (the 'charitable company') for the year ended 31 May 2022 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 2022 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.

## Independent auditor's report

To the members of

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

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

### 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

## Independent auditor's report

To the members of

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

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- 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 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:

## 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 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.
- 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.

## Independent auditor's report

To the members of

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

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### 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.



Jonathan Orchard (Senior statutory auditor)

25 November 2022

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 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
<b>Income from:</b>							
Donations and legacies	2	248,643	-	<b>248,643</b>	246,245	-	246,245
Charitable activities							
Campaigns, policy & research	3	5,000	135,050	<b>140,050</b>	-	91,000	91,000
Events, conferences & publications	3	56	-	<b>56</b>	64	-	64
Legal services for young people	3	57,409	171,665	<b>229,074</b>	124,270	200,438	324,708
Membership income	3	164,013	-	<b>164,013</b>	161,487	-	161,487
Other trading activities	4	14,755	-	<b>14,755</b>	21,794	-	21,794
Investments	5	50,735	-	<b>50,735</b>	64,602	-	64,602
Other		7,394	-	<b>7,394</b>	7,477	-	7,477
<b>Total income</b>		<b>548,005</b>	<b>306,715</b>	<b>854,720</b>	<b>625,939</b>	<b>291,438</b>	<b>917,377</b>
<b>Expenditure on:</b>							
Raising funds	6	73,004	-	<b>73,004</b>	56,454	-	56,454
Charitable activities							
Campaigns, policy & research	6	280,026	620,344	<b>900,370</b>	276,238	453,392	729,630
Events, conferences & publications	6	75,235	-	<b>75,235</b>	76,836	-	76,836
Legal services for young people	6	308,548	163,022	<b>471,570</b>	212,516	183,471	395,987
Membership	6	121,437	-	<b>121,437</b>	109,801	-	109,801
<b>Total expenditure</b>		<b>858,250</b>	<b>783,366</b>	<b>1,641,616</b>	<b>731,845</b>	<b>636,863</b>	<b>1,368,708</b>
<b>Net (expenditure)/income before net gains / (losses) on investments</b>		<b>(310,245)</b>	<b>(476,651)</b>	<b>(786,896)</b>	<b>(105,906)</b>	<b>(345,425)</b>	<b>(451,331)</b>
Net gains / (losses) on investments		2,131	-	<b>2,131</b>	166,779	-	166,779
<b>Net (expenditure) / income for the year</b>	7	<b>(308,114)</b>	<b>(476,651)</b>	<b>(784,765)</b>	<b>60,873</b>	<b>(345,425)</b>	<b>(284,552)</b>
Transfers between funds		-	-	-	324,611	(324,611)	-
<b>Net (expenditure)/ income before other recognised gains and losses</b>		<b>(308,114)</b>	<b>(476,651)</b>	<b>(784,765)</b>	<b>385,484</b>	<b>(670,036)</b>	<b>(284,552)</b>
Gains on revaluation of fixed assets		-	-	-	200,000	-	200,000
<b>Net movement in funds</b>	17	<b>(308,114)</b>	<b>(476,651)</b>	<b>(784,765)</b>	<b>585,484</b>	<b>(670,036)</b>	<b>(84,552)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		2,565,667	923,373	<b>3,489,040</b>	1,980,183	1,593,409	3,573,592
<b>Total funds carried forward</b>		<b>2,257,553</b>	<b>446,722</b>	<b>2,704,275</b>	<b>2,565,667</b>	<b>923,373</b>	<b>3,489,040</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)

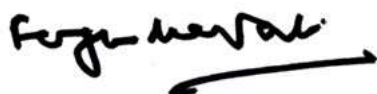
Balance sheet

Company no. 00898514

As at 31 May 2022

	Note	£	2022 £	£	2021 £
<b>Fixed assets:</b>					
Tangible assets	12		1,455,230		1,439,114
Investments	13		1,213,669		1,666,424
			<u>2,668,899</u>		<u>3,105,538</u>
<b>Current assets:</b>					
Debtors	14	78,462		107,965	
Cash at bank and in hand		120,205		345,228	
		<u>198,667</u>		<u>453,193</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	15	(163,291)		(69,691)	
			<u>35,376</u>		<u>383,502</u>
<b>Net current assets</b>					
			<u>2,704,275</u>		<u>3,489,040</u>
<b>Total net assets</b>					
<b>The funds of the charity:</b>	17		446,722		923,373
Restricted income funds					
Unrestricted income funds:					
Designated property funds					
Property fair value reserve fund		750,000		750,000	
Property historic cost fund		650,000		650,000	
		<u>1,400,000</u>		<u>1,400,000</u>	
Total designated property funds					
Designated strategic fund		620,704		778,712	
Other designated funds		-		-	
General funds		236,851		386,955	
		<u>2,257,553</u>		<u>2,565,667</u>	
<b>Total unrestricted funds</b>					
			<u>2,704,275</u>		<u>3,489,040</u>
<b>Total charity funds</b>					

Approved by the trustees on 11 October 2022 and signed on their behalf by



Fergus McNeill  
Chair

## Statement of cash flows

For the year ended 31 May 2022

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

	2022 £	2021 £
<b>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</b>	<b>(784,765)</b>	<b>(84,552)</b>
Depreciation charges	26,159	14,508
Losses / (gain) on investments	(2,131)	(16,779)
Loss on disposal of fixed assets	-	-
Gain on revaluation of fixed assets	-	(20,000)
Dividends and interest from investments	(50,735)	(6,602)
Decrease / (increase) in debtors	29,503	(3,587)
(Decrease)/increase in creditors	93,600	(1,122)
Decrease/(increase) in cash held by investment broker pending reinvestment	-	-
<b>Net cash provided by operating activities</b>	<b>(688,369)</b>	<b>(551,134)</b>

	Note	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided by operating activities</b>		<b>(688,369)</b>		<b>(551,134)</b>	
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		50,735		64,602	
Proceeds from sale of investments		504,393		4,459	
Purchase of fixed assets		(42,275)		-	
Purchase of investments		(49,507)		(59,362)	
<b>Net cash used in investing activities</b>		<b>463,346</b>		<b>9,699</b>	
<b>Change in cash and cash equivalents in the year</b>		<b>(225,023)</b>		<b>(541,435)</b>	
Cash and cash equivalents at the beginning of the year		345,228		886,663	
<b>Cash and cash equivalents at the end of the year</b>		<b>120,205</b>		<b>345,228</b>	

Notes to the financial statements

For the year ended 31 May 2022

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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.

Notes to the financial statements

For the year ended 31 May 2022

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1 Accounting policies (continued)

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.

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       | 50% |
| • Events, conferences & publications | 5%  |
| • Legal services for young people    | 30% |
| • Membership income                  | 10% |
| • Raising funds                      | 5%  |

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 2022

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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 2022

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations	213,724	-	<b>213,724</b>	219,306	-	219,306
Legacies	34,919	-	<b>34,919</b>	26,939	-	26,939
	<u>248,643</u>	<u>-</u>	<u><b>248,643</b></u>	<u>246,245</u>	<u>-</u>	<u>246,245</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Esmée Fairbairn	5,000	80,000	<b>85,000</b>	-	1,000	1,000
Tolkien Trust	-	30,000	<b>30,000</b>	-	-	-
Lloyds Bank Foundation	-	25,050	<b>25,050</b>	-	50,000	50,000
J G Hogg	-	-	-	-	40,000	40,000
Sub-total for campaigns, research & policy	<u>5,000</u>	<u>135,050</u>	<u><b>140,050</b></u>	<u>-</u>	<u>91,000</u>	<u>91,000</u>
Income from sales of publications	56	-	<b>56</b>	64	-	64
Sub-total for Events, conferences & publications	<u>56</u>	<u>-</u>	<u><b>56</b></u>	<u>64</u>	<u>-</u>	<u>64</u>
The Lottery	-	124,814	<b>124,814</b>	-	119,536	119,536
Barrow Cadbury	-	350	<b>350</b>	-	27,000	27,000
The Legal Education Trust	-	25,313	<b>25,313</b>	-	15,361	15,361
BBC Children in Need	-	19,938	<b>19,938</b>	-	26,255	26,255
Esmee Fairbairn	-	-	-	-	5,000	5,000
Legal services for young people	57,409	1,250	<b>58,659</b>	124,270	7,286	131,556
Sub-total for Legal services for young people	<u>57,409</u>	<u>171,665</u>	<u><b>229,074</b></u>	<u>124,270</u>	<u>200,438</u>	<u>324,708</u>
Membership subscriptions	119,978	-	<b>119,978</b>	119,436	-	119,436
Income tax recoverable on subscriptions /donations	44,035	-	<b>44,035</b>	42,051	-	42,051
Sub-total for Membership income	<u>164,013</u>	<u>-</u>	<u><b>164,013</b></u>	<u>161,487</u>	<u>-</u>	<u>161,487</u>
Total income from charitable activities	<u><u>226,478</u></u>	<u><u>306,715</u></u>	<u><u><b>533,193</b></u></u>	<u><u>285,821</u></u>	<u><u>291,438</u></u>	<u><u>577,259</u></u>

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

Notes to the financial statements

For the year ended 31 May 2022

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Rental & other income	-	-	-	5,699	-	5,699
Royalties for publications	14,755	-	14,755	16,095	-	16,095
	<u>14,755</u>	<u>-</u>	<u>14,755</u>	<u>21,794</u>	<u>-</u>	<u>21,794</u>

5 Income from investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from stocks and shares	50,403	-	50,403	63,830	-	63,830
Interest receivable	332	-	332	772	-	772
	<u>50,735</u>	<u>-</u>	<u>50,735</u>	<u>64,602</u>	<u>-</u>	<u>64,602</u>



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

Notes to the financial statements

For the year ended 31 May 2022

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 £	2022 Total £	2021 Total £
Staff costs (Note 8)	45,755	595,367	52,738	333,666	40,935	45,989	70,016	1,184,466	1,073,189
Other staff costs	-	81,085	-	5,437	-	7,750	28,711	122,983	13,128
Travel & Subsistence	-	2,357	-	1,386	-	1,125	629	5,497	1,644
Publication costs	306	6,292	-	235	46,494	-	-	53,327	49,032
Publicity & dissemination	-	21,882	-	-	-	-	-	21,882	17,645
Professional/Consultancy fees	-	65,330	-	32,912	-	-	1,225	99,467	66,174
Investment managers fees	3,750	-	-	-	-	-	-	3,750	1,822
Office and other expenses	696	-	-	5,289	-	72	23,461	29,518	16,875
Premises expenses	-	-	-	6,774	-	-	23,542	30,316	43,597
Miscellaneous expenses	-	-	-	-	-	-	429	429	5,629
Equipment purchase	-	1,964	-	1,000	-	-	1,220	4,184	2,175
Irrecoverable VAT	-	-	-	-	-	-	7,777	7,777	3,743
Equipment maintenance	-	-	-	4,822	-	-	30,011	34,833	41,466
Bank Charges	-	-	-	-	-	-	6,354	6,354	7,931
Audit & accountancy	-	-	-	-	-	-	10,675	10,675	10,150
Depreciation	-	-	-	-	-	-	26,159	26,159	14,508
	<b>50,507</b>	<b>774,277</b>	<b>52,738</b>	<b>391,520</b>	<b>87,429</b>	<b>54,936</b>	<b>230,209</b>	<b>1,641,616</b>	<b>1,368,708</b>
Support costs	11,510	115,105	11,510	69,063	23,021	-	(230,209)	-	-
Governance costs	10,987	10,988	10,987	10,987	10,987	(54,936)	-	-	-
<b>Total expenditure 2022</b>	<b>73,004</b>	<b>900,370</b>	<b>75,235</b>	<b>471,570</b>	<b>121,437</b>	<b>-</b>	<b>-</b>	<b>1,641,616</b>	
Total expenditure 2021	56,454	729,630	76,836	395,987	109,801	-	-		1,368,708

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

Notes to the financial statements

For the year ended 31 May 2022

6b 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 £	2021 Total £
Staff costs (Note 8)	28,384	522,112	50,732	292,649	35,994	58,207	85,111	1,073,189
Other staff costs	-	2,399	-	1,084	-	8,850	795	13,128
Travel & Subsistence	-	1,644	-	-	-	-	-	1,644
Publication costs	-	10,123	-	754	37,383	772	-	49,032
Publicity & dissemination	144	11,357	-	703	-	-	5,441	17,645
Professional/Consultancy fees	-	55,451	-	10,423	-	-	300	66,174
Investment managers fees	1,822	-	-	-	-	-	-	1,822
Office and other expenses	-	-	-	1,596	-	-	15,279	16,875
Premises expenses	-	6,525	-	6,452	-	-	30,620	43,597
Volunteer expenses	-	-	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-	5,629	5,629
Equipment purchase	-	1,020	-	225	-	930	-	2,175
Irrecoverable VAT	-	-	-	-	-	-	3,743	3,743
Equipment maintenance	-	-	-	4,389	-	-	37,077	41,466
Bank Charges	-	-	-	-	-	-	7,931	7,931
Audit & accountancy	-	-	-	-	-	10,150	-	10,150
Depreciation	-	-	-	-	-	-	14,508	14,508
	<b>30,350</b>	<b>610,631</b>	<b>50,732</b>	<b>318,275</b>	<b>73,377</b>	<b>78,909</b>	<b>206,434</b>	<b>1,368,708</b>
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>

Notes to the financial statements

For the year ended 31 May 2022

**7 Net expenditure for the year**

This is stated after charging:

	2022 £	2021 £
Depreciation	26,159	14,508
Loss on disposal of fixed assets	-	-
Operating lease rentals:		
Equipment	5,644	6,527
Auditor's remuneration (excluding VAT):		
Audit	10,675	10,150
	<u>10,675</u>	<u>10,150</u>

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	963,029	865,376
Social security costs	100,477	89,379
Employer's contribution to defined contribution pension schemes	120,960	118,433
	<u>1,184,466</u>	<u>1,073,188</u>

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

	2022 No.	2021 No.
£60,000–£70,000	1	1
£70,001 – £80,000	1	2
£80,001 – £90,000	3	0
£90,001 – £100,000	-	1
£100,001–£110,000	-	0
	<u>-</u>	<u>0</u>

The total employee benefits including pension contributions and employers national insurance of the key management personnel were £505,818 (2021: £485,738)

Total termination costs in the year were £100,488 (2021: £nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,125 (2021: £0) incurred by 3 (2021:0) members relating to attendance at meetings of the trustees.

## Notes to the financial statements

## For the year ended 31 May 2022

## 9 Staff numbers

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

	2022 No.	2021 No.
Raising funds	1	1
Campaigns, policy & research	8	6
Events conferences & publications	1	1
Legal services for young people	8	7
Membership	2	2
Support	1	2
Governance	1	1
	22	20

## 10 Related party transactions

Aggregate donations from related parties were £NIL (2021: £NIL).

There are no other related party transactions to disclose for 2022 (2021: 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	1,400,000	27,626	81,304	2,018	1,510,948
Additions	–	38,750	3,525	–	42,275
Disposals	–	(22,935)	(15,227)	–	(38,162)
At the end of the year	1,400,000	43,441	69,602	2,018	1,515,061
<b>Depreciation</b>					
At the start of the year	–	27,626	42,191	2,017	71,834
Charge for the year	–	19,375	6,784	–	26,159
Depreciation released	–	(22,935)	(15,227)	–	(38,162)
At the end of the year	–	24,066	33,748	2,017	59,831
<b>Net book value</b>					
<b>At the end of the year</b>	1,400,000	19,375	35,854	1	1,455,230
At the start of the year	1,400,000	–	39,113	1	1,439,114

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 2022

## 13 Listed investments

	2022 £	2021 £
Fair value at the start of the year	1,666,424	1,444,742
Additions at cost	49,507	59,362
Disposal proceeds	(504,393)	(4,459)
Cash	-	-
Net gain / (loss) on investments	2,131	166,779
	<u>1,213,669</u>	<u>1,666,424</u>
Fair value at the end of the year	<u>1,213,669</u>	<u>1,666,424</u>
Investments comprise:		
	2022 £	2021 £
UK Common investment funds	1,175,003	1,600,775
Shares listed on the London Stock Exchange	38,666	39,688
Cash	-	25,961
	<u>1,213,669</u>	<u>1,666,424</u>

## 14 Debtors

	2022 £	2021 £
Other debtors	9,782	10,965
Accrued Legal work income	37,557	66,347
Disbursements	13,118	18,387
Accrued income	18,005	12,266
	<u>78,462</u>	<u>107,965</u>

## 15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,656	2,755
Taxation and social security	32,202	30,305
Accruals	129,433	36,631
	<u>163,291</u>	<u>69,691</u>

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

Notes to the financial statements

For the year ended 31 May 2022

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

	General unrestricted £	Designated property funds £	Designated strategic funds	Restricted £	Total funds £
Tangible fixed assets	55,230	1,400,000	-	-	1,455,230
Investments	146,243	-	620,704	446,722	1,213,669
Net current assets	35,376	-	-	-	35,376
<b>Net assets at 31 May 2022</b>	<b>236,851</b>	<b>1,400,000</b>	<b>620,704</b>	<b>446,722</b>	<b>2,704,275</b>

16b Analysis of net assets between funds (prior 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>	<b>386,955</b>	<b>1,400,000</b>	<b>778,712</b>	<b>923,373</b>	<b>3,489,040</b>

17a Movements in funds (current year)

	At 1 June 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 May 2022 £
<b>Restricted funds:</b>					
Legal work (Adviceline)	-	21,188	(21,188)	-	-
Big Lottery – Legal work	45,699	124,814	(115,671)	-	54,842
Sentencing– young adults	500	350	(850)	-	-
The Legal Education Trust	-	25,313	(25,313)	-	-
Reducing arrests of women	11,816	55,050	(64,366)	-	2,500
Fairness in prison	40,000	-	(40,000)	-	-
Crime & problem gambling	825,358	-	(506,215)	-	319,143
Criminal Care	-	-	-	-	-
Racial disparity research	-	80,000	(9,763)	-	70,237
<b>Total restricted funds</b>	<b>923,373</b>	<b>306,715</b>	<b>(783,366)</b>	<b>-</b>	<b>446,722</b>
<b>Unrestricted funds:</b>					
Designated property funds:					
Property fair value reserve fund	750,000	-	-	-	750,000
Property historic cost fund	650,000	-	-	-	650,000
Total designated property funds	1,400,000	-	-	-	1,400,000
Strategic fund	778,712	-	(158,008)	-	620,704
Total designated funds	2,178,712	-	(158,008)	-	2,020,704
<b>General funds</b>	<b>386,955</b>	<b>-</b>	<b>(150,106)</b>	<b>-</b>	<b>236,849</b>
<b>Total unrestricted funds</b>	<b>2,565,667</b>	<b>-</b>	<b>(308,114)</b>	<b>-</b>	<b>2,257,553</b>
<b>Total funds</b>	<b>3,489,040</b>	<b>-</b>	<b>(1,091,480)</b>	<b>-</b>	<b>2,704,275</b>

## Notes to the financial statements

## For the year ended 31 May 2022

## 17b Movements in funds (prior 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 funds:					
Property fair value reserve	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>

17 Movements in funds (continued)

**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. Due to the pandemic period the commission will conclude in March 2023.

**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

**Racial disparity**

This is a 3-year project started May 2022 funded by Esmee Fairbairn to investigate the racial disparity in youth justice

**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.



Notes to the financial statements

For the year ended 31 May 2022

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**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	
	2022	2021
	£	£
Less than one year	5,644	5,200
One to five years	16,460	22,104
	<u>22,104</u>	<u>29,325</u>

**19 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.