

Company number: 898514
Charity number: 251926

Howard League for Penal Reform

(Incorporating the Howard Centre for Penology)

Report and financial statements
For the year ended 31 May 2023



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

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Reference and administrative information

For the year ended 31 May 2023

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 (until December 2023)
Professor Fergus McNeill, Chair
Professor Pamela Taylor (until January 2023)
John Tress (from November 2022)
Tomas Thurogood-Hyde (from April 2023)
Charles Bland (From April 2023)
Alexandra Marks CBE (from November 2022)

Honorary President Lord Macdonald KC

Key management personnel Andrea Coomber KC (Hon.) Chief Executive

Euginia Lolomari	Director of Finance and Operations
Andrew Neilson	Director of Campaigns
Anita Dockley	Director of Research (Until Nov 2023)
Gemma Abbott	Legal Director (from March 2023)

Staff

Lee Brown	Research Assistant
Dr Helen Churcher	Research and Project Officer
Poppy Cabbage	Legal and Projects Support Officer
Amy Dolley	Policy and Public Affairs Officer (from Feb 2023)
Marie Franklin	Solicitor (until July 2023)

Reference and administrative information

For the year ended 31 May 2023

Steve Gallant	Development Support Officer
Leela Jadhav	Policy Officer (until September 2023)
Dr Tim Kerr	Membership Officer
Noor Khan	Press and Public Affairs Officer
Katie Logue	Communications Coordinator
Sophie Lumsden	Development Manager
Sinead MacCann	Managing Solicitor
Adriana Matrigiana	Trainee Solicitor
Rob Preece	Communications Manager
Ana Rosenthal	Caseworker (Until Feb 2024)
Claire Salama	Managing Solicitor
Anna Spencer	Solicitor
Ayomide Sotubo	Policy Officer (From September 2023)
Catryn Yousefi	Programmes Manager (until January 2023)
Ryan Walker	Executive Assistant (from October 2022)

Finance, Audit and Risk Committee members

Ben Elger
Sally Lewis
Gerry Marshall
Lucy Robinson
Delbert Sandiford
John Tress

Consultant

Gemma Buckland, Commission on Crime and Gambling Related Harms

Editor-in-Chief of the Howard Journal of Crime and Justice

Professor Ian Loader, University of Oxford

Editors

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

Managing Editor

Anita Dockley (until Nov 2023) Howard League for Penal Reform

Book Review Editor

Dr Mary Rogan

Trinity College Dublin, University of Dublin, Ireland

Publishing Editor Brenda McWilliams

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

Trustees' annual report

For the year ended 31 May 2023

The trustees present their report and the audited financial statements for the year ended 31 May 2023.

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.

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Criminal justice in England and Wales remains in turmoil. No fewer than five law-and-order bills were announced in the King's Speech, which sets the direction for the government's programme. The prisons minister most recently appointed is the tenth to take on the role in the last five years. But while they come and go at such speed, the penal system seems to grind to a halt, or worse, to regress. Bedford, where John Howard began his penal reform mission some 250 years ago, has become the fifth prison in a year to be made the subject of an urgent notification because conditions are so dire. All these developments have occurred in the month before I write this foreword, and we can expect many more with a general election looming on the horizon.

For those at the centre of the system, whose fate and future is the responsibility of the state and the system that punishes them, the daily reality is chronic overcrowding, staff shortages, a lack of opportunities for education and employment, glacially slow progression towards release, and even security failures (even including a high-profile escape). The hundreds of letters and calls the Howard League received from people inside, and from their families powerfully attest to the abysmal dysfunction of our so-called justice system. We hear the same message (usually quietly and privately) from the legions of practitioners (in the courts, in prisons, in probation) whose efforts to support positive change — to make reintegration meaningful — are continually frustrated by the absence of brave political leadership that the sector so desperately needs. Instead, all too often, we hear only populist posturing and the evidence-lite policymaking that accompanies it. Yet, in spite of the many challenges, there is hope to be found in the pages that follow.

For years, we have raised awareness about the ineffectiveness of short prison sentences; now, at last, ministers have proposed legislation for a presumption against them. Through our legal work, we have continued to provide advice and support to many children and young adults in custody. We have produced educational resources to help people understand remand and recall. We have supported grassroots campaigns groups, held packed-out events at party conferences, and made a host of recommendations for reform in the final report of our Commission on Crime and Gambling-Related Harms. This report also provides information about what we intend to do next. We have devised a new five-year strategy, which focuses on the acute crisis in prisons, with particular emphasis on the growing use of remand, the ongoing imprisonment for public protection (IPP) scandal, joint enterprise and sentencing. That strategy is firmly rooted in the evidence we have gathered from our members and supporters on both sides of the prison walls, and from our academic and practice colleagues. In all of this, therefore, we rely on the support of our members and our funders. As you read this report, please consider what role you might play in our work to build a more humane and effective response to crime.

Professor Fergus McNeill
Chair

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 2019–2023

In July 2023, our Board agreed a new strategy that will take us to 2028. Given that most of the timeframe covered by this Trustees' Annual Report was under the earlier Strategy, this report focusses on delivery of its ambition.

Over the period from 2019 to July 2023 the Howard League has focused on three broad strategic priorities.

1) Stemming the flow

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

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

For several years now, a key activity in respect of 'stemming the flow' has been the work of the Commission on Crime and Gambling 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 work on better justice which emphasizes 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 has focused on the quality of justice for children and young people in custody. Through our access to justice service, we have advised

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hundreds of children and young people each year 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 is committed to sharing the experiences of people in custody with the public, amplifying key findings from reports from His 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 has focused on strengthening the charity which speaks to our vision of being a well-managed, well-governed and sustainable charitable organisation. In particular, we have continued to devote efforts to grow our membership, expand our influence and maintain our independence.

In the past year the 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

We have elaborated a Cultural Compass that underpins our approach to our work, to each other and to those we work with. Our key values are excellence, learning, accountability, integrity, collaboration, and courage. We regularly reflect on these behaviours and mindsets, ensuring that our values are alive in our daily work.

We are an anti-racist and an anti-discriminatory organisation. We invest in building an inclusive organisation with diverse members, staff and leadership. We ensure that our staff are equipped to challenge racism and discrimination in all its forms, wherever they see or experience it.

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

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who call our advice line and who have received 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 elaborating the new Strategy and Theory of Change. The Board has considered how planned activities will contribute to the aims and objectives that have been set for the organisation. 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.

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,

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- offering conferences, lectures and other events on penal policy issues that are open to the public to attend, to inform them about important issues which may affect their daily lives.

Achievements and performance

The charity's main activities 2022–23 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 in 2019 to understand the links between crime and gambling related harm. This work was funded by the Gambling Commission (£1.8million over three years).

The Commission was chaired by Lord Peter Goldsmith KC, alongside 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
- 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

The Commission produced a number of research reports, detailed previously, three of which were published in 2023:

- *Holding it all together and picking up the pieces: Women's experiences of gambling and crime* (March 2023)

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- *Exploring gambling and its role within prison culture: You can be flying high, then fighting* (March 2023)
- *Lived experiences of gambling, gambling-related harms, and crime within ethnic minority communities* (April 2023)

The Commission came to a close in April 2023, concluding with a final report and reception at the House of Lords hosted by its Chair Lord Goldsmith KC. The final report was informed by the Commission's research and made practical and structural policy recommendations.

The work of the Commission was widely disseminated, including at academic conferences; to the Ministry of Justice; to Local Criminal Justice Boards; to Police and Crime Commissioners; and at political party conferences. The Howard League hosted well attended events at the Labour Party Annual Conference in September 2022 and the Conservative Party Conference in October 2022. Our planned event at the Liberal Democrats annual conference was cancelled, along with the whole conference, due to the death of the Queen.

The work of the Commission was also showcased at the Howard League's conference 'Crime, Justice and the Human Condition', at Keble College, Oxford in September 2022. The conference was supported by the funds of the Commission and included plenary sessions on gambling related harm; research presentations; bursary places for early career academics in the field; and an exhibition stand.

The Commission garnered media interest, with dedicated radio episodes (File on 4, Woman's Hour) and newspaper articles.

Although the Commission has come to an end, external parties remain interested in its work and we maintain a light-touch role in monitoring policy recommendations. Activities include a presentation to the Scottish Gambling Education Network (August 2023), an event at the Ministry of Justice Insights festival (October 2023), an invitation by DCMS to discuss their research agenda, and ad hoc engagement with PCCs. To ensure a positive legacy, the Commission also engaged with sector organisations (e.g., GambleAware) and it is hoped that they will take up the baton of the Commission's work.

Stemming the flow – Racial disparity in youth justice

In February 2023, we formally launched our three-year project interrogating racial disparities in youth justice, with an event titled 'What would an anti-racist youth justice system look like?' Among the speakers at the event, held at the London office of law firm Travers Smith LLP, were Baroness Chakrabarti, Keir Monteith KC, and Aika Stephenson.

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In the past year our work has focused on remand and joint enterprise. Our remand work looks at the causes of disparity in youth custodial remand. According to government policy, youth custodial remand should only be used as a last resort. But with record numbers of children remanded to custody (and with disproportionate numbers of Black children), it is clear that this policy is not being implemented effectively, or evenly.

To understand the reasons behind this, we have spoken to key actors in the decision-making process, including Youth Justice Services, magistrates, legal practitioners, children on, or with experience of, remand, staff in secure settings, and Local Authority placements teams. We will publish a report in the Autumn of 2023 on remand of racially minoritised children.

The report will form part of an evidence base with which to lobby decision makers across government, policy, and the judiciary, in order to reduce the use of remand and improve outcomes for racially minoritised children.

Supporting crime cutting projects

The Howard League Community Awards celebrate organisations and projects deserving of recognition and praise for their excellent work in the community. The range and diversity of the nominated programmes, each delivering services in difficult circumstances has been remarkable.

The judging for the 2022's awards saw 30 projects shortlisted across the six categories (adults, children, L&D, racial disparities, restorative approaches, women). It was also decided not to give the award to the Criminal Justice Champion. The winners included Willowdene Rehabilitation LTD and Working Chance winning 'Organisation of the year'. The Golden Key won the racial disparities award. An event announcing the winners and to celebrate their work took place online on 22 November 2022. Our huge thanks to Professor Ben Bradford for chairing the awards.

After reviewing the Community awards, we have decided to pause for 2023/24.

Government and public affairs

It has been another busy year in Westminster with political convulsions within the ministerial team at the Ministry of Justice.

In October 2022, Rachel McLean MP, then a Minister, spoke at our fringe event at the Conservative Party conference. Former Minister Alex Chalk KC MP, at the time on the back benches, also spoke passionately about the need for prison reform; he is now the Secretary of State for Justice. We also held a very well-attended fringe at Labour conference, where

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Ellie Reeves MP, then the shadow justice minister spoke with Baroness Chakrabarti and Kate Green MP, as she then was. The Liberal Democrats annual conference was cancelled at the last minute due to the death of Queen Elizabeth II.

Despite the difficult public affairs environment, the Howard League has continued to engage with policy consultations. We have made submissions to the mental health and wellbeing plan discussion paper; the Justice Committee's inquiry on public opinion and understanding of sentencing; the SEND review; to the Bill Committee for the draft Mental Health Bill; and to the Welsh Parliament's Equality and Social Justice Committee inquiry on women's experiences in the criminal justice system.

Much of 2023 has seen us engaged on the draft Victims and Prisoners Bill. The Howard League echoes concerns that the Bill does not go far enough to support victims of crime, and instead takes an unhelpful and overly punitive approach to prisoners' rights. Part III of the Bill has been included without adequate scrutiny – indeed, several of its provisions were not included in the root and branch review. As such, the Howard League proposes that part III, which concerns prisoners, is removed, so that this legislation becomes one focused on victims, as was initially intended.

Following a speech given by the President of the Prison Governors' Association (PGA) at the APPG on Penal Affairs in May 2023, warning that the prison estate was just weeks away from reaching its maximum capacity, we wrote to the Justice Secretary to make suggestions to address overcrowding. We received a detailed and thoughtful response, focusing on the government's plans to build more prison places.

Better Justice

Advice and legal representation for children and young adults

We are proud that the Howard League runs the country's only dedicated advice line for children and young people in custody, receiving hundreds of requests for legal assistance from or on behalf of children and young people every year.

Children and young people in custody are some of the most vulnerable people in our society, often with limited experience or capacity to advocate for themselves. As a consequence, they are particularly exposed when systems fail them. Current conditions in custody are nothing short of catastrophic. We know from calls to our advice line that time out of cells is woefully short, children and young people lack opportunities to exercise and socialise, and education provision is inadequate. Many report feeling unsafe, with rates of violence and self-harm in some prisons soaring. There are growing trends towards more incidences of solitary confinement, use of force and restraint.

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Through our legal service, we inform, advise and advocate for children and young people on a range of different issues – including those arising from these systemic problems – making sure that they can understand their legal rights, empowering them to take action themselves and acting on their behalf.

In the last 12 months, the legal team provided advice and assistance to 327 children and young people aged 21 and under in 494 separate matters, including their treatment in custody, adjudications, transfers, and release planning.

We also pursued 46 cases, funded by legal aid, to help children and young people with treatment issues in custody, adjudications, recall and parole and resettlement.

Notable developments over the past year include the communication of the *AB* complaint to the European Court of Human Rights, in which it was argued that *AB*'s treatment in solitary confinement as a child was inhumane and degrading treatment in breach of Article 3 rights under the Convention. This year we have also taken legal action on behalf of a child who spent more than three months in segregation at a Young Offenders Institution, during which time he had access to a limited regime and inadequate education. We have supported other young people to be moved off prolonged segregation following intervention from us via our access to justice service.

We have continued to advise and support children and young people with complaints to prisons, the Prisons and Probation Ombudsman, NHS trusts and local authorities. Successful complaints have included a finding by the PPO that a young adult with learning disabilities should have been granted Tarrant representation at an adjudication; and a finding that a YOI's response to a complaint about racial discrimination by a Black child had not been properly investigated.

We continued to hear about the inadequacy of education provision in custody through our advice line, and from a survey of children and advocates across the children's estate. Key themes include the lack of opportunities to take qualifications, lack of access to laptops to complete independent study, the unequal access to education on enhanced support units and staffing issues impacting on access to education. We have supported one child to challenge the failure to provide them with their statutory entitlement to education and challenged a local authority's failure to update a young adult's Education, Health and Care Plan.

We have advised and assisted young people to get transferred to prisons closer to their home area, or away from prisons where they felt unsafe, or were unable to complete certain offending behaviour programmes. We sent pre-action correspondence on behalf of two young adults at the same prison who had not had face-to-face contact with their

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families for more than two years, resulting in both being transferred to prisons closer to their home areas.

We continued to represent children and young people in respect of parole, recall and early release, working to ensure young people had appropriate accommodation and support upon leaving prison. Successes include release by the parole board of a young adult who had been recalled for an offence he committed when he was 13 and executive release of an 18-year-old client, avoiding the need for a hearing in front of the parole board.

We continued to advise children and young people about their social care rights. Successes include securing accommodation for 17-year-old boy who had no accommodation the day before his release; and ensuring children's services sourced suitable accommodation for a 15-year-old boy to enable the court to meaningfully consider the option of a community sentence. We also continued to help young people to access the support they are entitled to as care leavers by virtue of time spent on remand, with successes in this area including establishing care leaver status for a child following the threat of legal action against a local authority; and securing backdated financial support from a local authority for a young person serving a life sentence.

As well as providing a valuable service for those children and young people who contact us, our advice line continues to provide us with a priceless ear to the ground in terms of the state of the custodial estate, both for children and adults. This has supported and enhanced our campaigns and media work, for example in response to the urgent notification issued by HMIP for HMYOI Cookham Wood in April 2023, and also informed discussions on potential priority areas and litigation work for our new Strategy.

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) 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.

This year we have continued to use this funding to advise children in custody about their legal rights and entitlements through our access to justice service. The funding allowed us to continue to have extended advice line hours. In March 2023 we also delivered

workshops on children's rights for Barnardo's advocates across the children's custodial estate.

Empowering young people in custody

In April 2020, we received three years of funding from the Big Lottery Fund 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. The final year of our project focused on using in-cell technology in prison as a platform for new legal educational resources.

We surveyed 130 children across three different children's prisons about how they use in-cell technology. Children overwhelmingly told us they preferred video content. We created an animated video, with design studio Ave, explaining what it means to be released on license and the process of recall to prison if you breach those conditions. Recall is a common issue that young people calling our legal advice line seek advice about and one that they find confusing.

The video has been uploaded to the prison service's intranet which every prisoner who has in-cell technology can access. We have also shared this video widely on our social media networks, as well as with every Director of Children's Services in England. We are continuing to disseminate our video.

We also continued embedding our previous year's work on children on remand. We worked with a youth specialist barrister at Garden Court Chambers and the Youth Justice Legal Centre to develop training materials on bail and remand. These materials are being used by the Youth Justice Legal Centre to train youth justice services, solicitors and barristers who work with children at risk of being remanded.

We presented the remand work at a conference organised by London Accommodation Pathfinder in March 2023. We also commissioned Transform Justice to produce a podcast episode, published in July 2023, to discuss the law on remand and the impact of the changes in the law on remand for children.

Understanding young adults on remand

In Autumn 2022 the Howard League launched a project, supported by the Barrow Cadbury Trust, to better understand the experiences of remanded young adults. The project builds on previous work by the Howard League looking at the specific needs of young adults, including the role of maturity in the sentencing of young adults, sentencing principles for young adults, and issues facing young adults in prison during Covid.

In October 2023 we published a briefing which includes the experiences, voices and lessons to be learned from a group of remanded young adults aged 18–20 in a male Category B prison. It is informed by discussions with criminal justice professionals who work with remanded young adults in England and Wales and the Howard League's work representing individual young adults across the prison estate through its specialist legal advice service. We also published a legal guide for remanded young adults to help them better understand their rights whilst remanded.

Justice and Fairness in Prison

This reporting period saw the launch of a new-look 'HL in the News' e-newsletter, providing links to all media coverage of the charity's work and other articles of interest.

Highlights from the first edition included two long-read articles in the Guardian – one on remand, the other on conditions in Nottingham prison. We contributed to an Independent article on how people in prison have been spending 23 hours a day locked inside their cells. Our response to an inspection of Werrington prison was reported by the BBC, Metro and local media. Several media outlets carried our analysis of the Ministry of Justice's quarterly safety in custody statistics.

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 His Majesty Chief Inspector of Prisons and Independent Monitoring Boards, providing context for reports of particular prisons.

We continue to improve our ways of communicating our work. As of 22 August 2023, the Howard League social media audience stood at 45.8K. This consisted of 34.6K followers on X (formerly Twitter), 5,667 Facebook likes, 3,978 LinkedIn followers, 1,085 Instagram followers, 339 YouTube subscribers, and 127 Threads followers.

In August 2023, we put out a press release explaining the negative implications of Lowdham Grange transitioning from Serco to Sodexo, this article made it on to the front page of the Observer.

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We have issued 30 press releases since September 2022. Our response to the Ministry of Justice's quarterly safety in custody statistics bulletin was reported by 16 outlets across the country in articles about their local prisons, while our view of an inspection report on Cookham Wood prison was quoted in MSN News and Kent Online.

Our responses to a National Audit Office (NAO) report on resettlement and an Independent Monitoring Board report on women's mental health were both featured on politics.co.uk, with the NAO response also being reported in FE News.

We had another great month for coverage in August 2023, with mentions in 391 articles. The most popular was a BBC article on suicide rates at Leeds prison with a reach of 155 million, and we also had an article in the Guardian on indefinite jail sentences.

We saw continued interest in the research conducted for the Commission on Crime and Gambling Related Harms, with several specialist industry outlets referring to the Commission's work.

We have submitted monthly articles in the Prisoner's newspaper 'Converse'. We have shared our strategy with the prisoners and asked for feedback. We have also spoken about the political implications of recent changes to open conditions moves for life sentenced prisoners. We have received hundreds of letters and remain in regular contact with those who write to us.

Consolidating the research base

The Howard League's deep and long-standing connections to academic research in the criminal justice field is unparalleled.

The Crime, Justice and the Human Condition was held in October 2022, exploring perspectives on penal reform from diverse perspectives including academic, practitioner, opinion formers, activists and those with experience of the criminal justice system both in the domestic and international arena. We welcomed over 230 in person delegates and 20 online delegates each day. We accepted over 160 individual papers for presentation, 12 plenary and participatory plenary sessions comprised a mix of international and domestic academics, practitioners, activists and people with lived experience, from a range of disciplines. We also welcomed a journalist from the Economist, and two filmmakers. Around 20% of attendees were members and seven became members following the conference. Around 58% of attendees indicated they were from the academic sector; 10% practitioners; 5% with lived experience; 3% from the private sector; 4% from the statutory sector; and 15% from the voluntary sector. Around 12% indicated that they were postgraduate students or early career researchers.

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Over the past year, the Howard Journal has continued to publish high quality and challenging articles. We continue our strategy to increase the reach and influence of the journal through video abstracts, online events.

The Early Career Academics Network (ECAN) bulletin was published at the beginning of the year. This included contributions from people who attended the Howard League's conference in Oxford and had a strong focus on the role of lived experience in developing criminological and criminal justice practices. Helen Churcher continues to liaise and work with the early career members of the Research Advisory Group to identify how new thinkers and researchers can best support and help develop the Howard League's priorities.

Race consciousness and the law by Dr Alexandra Cox of the University of Essex and a Howard League RAG member. This research grew out of our work to develop a guide for anti-racist lawyers and is based on focus groups with 30 legal practitioners. It found that legal authorities' demands, both explicit and implied, that lawyers be 'race neutral' pose barriers in highlighting or addressing racial disparities. Practitioners spoke about the opposition they faced in the courts when highlighting the roles that race and ethnicity may have played in key decision-making by legal authorities, particularly the police. A successful online event launched the research.

Strengthening the Charity

Membership

Membership distinguishes the Howard League from other charities in the sector and has two primary functions. As a fundraising stream, it offers dependable unrestricted income to support our work. Its other function is to facilitate engagement with our work and enhance the strength and authority of our voice.

We aim to double our membership over the next five years, bring our members closer to our work and improve our membership offer.

We have made a concerted effort to increase our membership numbers within prisons and have almost 200 members in prisons across the country. We have engaged with them through word of mouth, prison newspaper columns, mailings, and prison visits. These methods will continue to be used, whilst the utility of other potential avenues of engagement, such as prison radio, are to be investigated.

To ascertain the interests and experiences of our members in prison, we ask our members to tell us what the Howard League's priorities should be, in addition to any other interests

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they might have. We gain their written consent to use this feedback in our work. Whilst communicating with members within prisons can be logistically challenging, this process has been optimised through recently acquired technical solutions in Raiser's Edge (membership database) and EmailaPrisoner.

It is also important to us to work with the families of people in prison, to ensure that their voices and experiences are part of our work, we currently have 1600 members who have a family member in prison.

Our members outside of prison are key to our aims of persuading the public of the need for penal reform. The communications team has improved the digital offerings to both members and supporters, with monthly email updates, a greatly expanded social media presence, and a series of events to engage our members and supporters.

With these measures now in place, we will be assessing and improving the membership package in the coming months, both to ensure the membership's fundraising potential, and to have passionate advocates to fulfil our goal of a societal shift in thinking on punishment.

Fundraising

This year, we have continued to strengthen our development function by building relationships with trusts and foundations, generating a pipeline of funders and creating a development board.

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:

- Allen & Overy Foundation – Legal work (£10,000)
- Barrow Cadbury – The reality of young adult remands: learning exchange (£20,500)
- Millward Family Trust – Legal advice line (£10,000)

We continued to receive a number of restricted multi-year grants for existing projects, details of which are provided 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 (£26,584 continuation funding, advice line)
- Esmée Fairbairn Foundation (£80,000 a year for three years; restricted to work on youth justice and young people)

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– Legal Education Trust – Justice First Fellowship (£47,926 over two years 2022–24)

We received unrestricted support from: The Constance Faulds Crawford Trust (£2,000); Barrow Cadbury (£1,000); Children in Need (£500); Gilbert & Eileen Edgar Foundation (£500) The Hanley Trust (£1,000); Esmée Fairbairn Foundation (£24,000); Jolanta and Max Neufeld Charitable Trust (£10,000); Oakdale Trust (£3,000); Tolkien Trust (£30,000) WF Trust (£500); William A Cadbury Charitable Trust and William P Bancroft Charitable Trust (£1,000).

We received £216,573 in legacy gifts over the period.

Events

- Crime, Justice and Human Condition Conference, September 2022
- Fringe event at the 2022 Labour Party Conference, September 2022
- Fringe event at the 2022 Conservative Party Conference, October 2022
- Annual General Meeting, November 2022
- Howard League Community Awards, November 2022
- Children Act case: 20 years on, February 2023
- Race consciousness and the law, March 2023
- Howard Journal event: Why is criminal justice reform so difficult? Lessons from historical and international comparative research, May 2023
- Spotlights: The Persistence of Victorian Prisons, May 2023
- Reducing the prison population: Using research to develop and support reform agendas, May 2023
- Spotlights: The History of John Howard and the Howard, June 2023
- Dr Martin Wright: A torchbearer for penal reform and restorative justice, July 2023
- Spotlights: Criminal justice lessons from across the globe, July 2023

Transition to new strategy

Over 2022, the Chief Executive, staff and Board have been working to set the Howard League up for a more impactful future. To this end, we have elaborated a Theory of Change, and a new Strategy, which was adopted by the Board at its meeting in June 2023.

Our overriding ambition is to move the dial on punishment away from cruelty and towards building a more humane and effective response to crime that provides justice and helps to lower levels of reoffending.

We understand that our current systems of punishment are often unjust, cruel and counter-productive; and that they make our communities less, rather than more, safe. We want to see a reduction in the use of punishment, specifically a very significant reduction in the use of prison and much better conditions and opportunities for those who remain there. With numbers projected to rise to more than 106,000 by 2027, our work over the next five years will focus on the acute crisis in prisons. However, we will continue to recognise the

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challenges presented by the overuse of community supervision and the harms that it can cause to individuals and society. We understand that 100 years of 'alternatives' have ultimately fed more people into, rather than out of, prison.

Over the five-year period covered by this strategy, we will focus on:

- Public-facing campaigning to challenge the reliance on prison as the answer to crime, both in general and for particular crimes/cohorts of people in prison.
- Working with politicians across parties to build their understanding of the evidence base and of the economic, human and social costs of prison. We will encourage political courage across parties to pursue policy that works.
- Blending strategic litigation with policy work and communications to highlight the problems with the overuse of prison and to challenge injustices and human rights violations in prison.
- Working with judges, parole board members, and the justice professions to bring a better understanding of the impact of sentencing, release and recall decisions and the realities of prison.
- Improving the quality of public information and dialogue around punishment, including by building a community of people who are interested in and engaged with prisons, people in prison, prison leavers and their families. We will mobilise this community to advocate for better policy.

Across all our work we will address racial disparity and include consideration of experiences of women, children and young people and other vulnerable people in the system.

People from racialised minorities are significantly over-represented in prison. We will pursue work to challenge laws, policies and procedures that result in the over-incarceration of young Black men.

Phased thematic priorities over the coming five years will include:

- Campaigning on the failure of prison as the answer to crime, generally as well as for particular offence-types and cohorts of people in prison.
- A resolution to the ongoing incarceration and recall of people serving the abolished IPP sentence.
- The injustices wrought by joint enterprise, particularly on people from racialised minorities.
- The overuse of remand and experiences of people on remand.
- The challenges around sentencing, including incarceration for non-violent, lower-level offending, and combating sentence inflation across offence-types, but particularly for serious offences.

Introducing the Council

Reflecting our values of accountability, integrity, courage, collaboration, learning and excellence, the Board of the Howard League has agreed to establish an advisory council (the Council) to guide and support the work of the organisation.

The Council will be an active, working group (rather than a set of patrons-on-letterhead). Members will bring weighty expertise of various aspects of the criminal justice and penal system and will be committed to the Howard League's goal of penal reform.

The Council will be asked to provide advice, support and challenge to the Board and staff of the Howard League, including on:

- emerging challenges, issues, players and approaches;
- helping to evaluate the organisation's work and providing suggestions for the future direction of work;
- where appropriate, advocating and promoting the Howard League's vision and work in different fora;
- assisting the staff by providing contacts, for example, for the purposes of advancing policy work, fundraising and profile raising; and
- being part of a network of support for the Howard League and its staff.

While the membership is still developing, Council Members include:

- Andrea Allbutt
- Peter Atherton
- Sir Nicholas Blake
- Andi Brierley
- Professor Neil Chakraborti
- Baroness Chakrabarti CBE
- Professor Loraine Gelsthorpe
- Lord Goldsmith KC
- Nick Hardwick CBE
- Angela Kirwin
- Professor Ian Loader
- Lord Macdonald of River Glaven Kt KC
- Professor Shadd Maruna
- Stephen O'Connell
- Michael O'Kane
- Dame Anne Owers DBE
- Professor Nicola Padfield KC (Hon.)
- Olivia Pinkney CBE QPM DL
- Sir John Saunders
- Natalia Schiffrin
- Professor Pamela Taylor, CBE, FRCPsych, FMedSci

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For the year ended 31 May 2023, the Howard League recorded a net deficit, before other recognised gains and losses, of £410,193. Our unrealised losses on investments were £21,308.

Income

Total income received in 2022/2023 increased by 61% to £1,371,156 (2022: £854,700).

Details of how this has arisen are shown below.

Donations and legacies

£763,106

Charitable activities

£562,599

Trading activities

£13,369

Investments

£32,082

Expenditure

Staff costs

Staff costs account for 71% of the total costs of the organisation and have increased by over 7% from 2021/22. During the year, the total average FTE headcount was 24 (2022: 25).

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 in 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 5.64% of our overall expenditure, an increase this year from £73,004 to £100,619. This includes fundraising salary costs and overhead costs based on staff time attributable to the fundraising function.

The Strategic Fund

The Strategic Fund was a designated fund set aside by the trustees to support the infrastructure of the Howard League. The new Finance Audit and Risk Committee looked at the purpose of the Strategic Fund in light of last year's audit findings, and at its meeting on 28 April 2023, held a joint discussion with the Board. The Board took a decision to absorb the Strategic Fund into general reserves.

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 adopted a new risk register. 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.

Reserves policy

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. The reserves policy was discussed by the board and the policy was approved by the board.

A formal policy on reserves was agreed at the 23 January 2024 meeting of the Board of Trustees.

The Board has set a reserves policy which requires:

- Reserves be maintained at a level which ensures that The Howard League for Penal Reform core activity could continue during a period of unforeseen difficulty.
- A proportion of reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle.

It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted.
- Planned activity level.
- Organisation's commitments.

For 2023–2024, the Board of trustees agreed that the most appropriate level of reserves should be kept at the level of six months' operational expenditure target of £767,516.

At the close of 31 May 2023, the Howard League had £782,611 (2021–2022: £857,555) in general reserves which meets the Board's reserves policy of six months' operational expenditure.

Going concern statement

This year has seen a shift in the charity's approach to funding, as it has spent down the last tranches of a large legacy gifted in 2009 and completed its work on the Commission on Crime and Gambling Related Harms. In their place we have sought to generate fresh

Trustees' annual report

For the year ended 31 May 2023

funding from a variety of new sources with a view to create a more diversified and flexible funding base that is aligned with the charity's new strategy.

To that end, the organisation has:

- Developed a pipeline of trusts and foundations grants with potential income value of over £2m;
- Set up a programme of major donor fundraising;
- Established a new volunteer-led Development Board tasked with securing multi-year gifts to support our core work;
- Engaged two additional members of staff on fundraising, including one with personal experience of prison;
- Improved our reporting systems for engaging with members, including through the implementation of Raiser's Edge.

We also expect that through more public-facing campaigns and campaigning litigation, membership and general donors to the Howard League will increase.

The Board has also dedicated considerable time to discussions of risk and financial management this year, including multiple discussions of risk appetite and the risks associated with the transformation of our approach to fundraising. It has further established a new Finance, Audit and Risk Committee (FARC) to provide closer oversight of our reserves, cashflows, and annual budgets (while recognising that ultimate responsibility for financial oversight remains with the Trustees). Finally, the Trustees have adopted a new Reserves Policy.

The charity is in the fortunate position of owning the freehold to 1 Ardleigh Road outright. This means that in the event of a significant shortfall in planned fundraising, the charity would have recourse to financing secured against, or arising from the sale of, the property.

Given this, and considering the charity's reserves position, budget for 2023-24, and 12-month cashflow forecasts as at the date of signing these accounts, the Trustees consider the Howard League to be a going concern.

Plans, from Chief Executive Andrea Coomber

The past year has continued to be one of transition for the Howard League. Two big projects, a conference in Oxford and the Commission on Crime and Gambling-related

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Harm have come to an end, and we have focused on the future. We have elaborated a Theory of Change, and in June the Board adopted a new Strategy that will take us to 2028.

The Theory of Change sets out strategies, activities, and outcomes for work over the life of the Strategy. My huge thanks to our staff and the many people – including our members in prison – for their various contribution to the elaboration of both documents. In the end, there was widespread agreement on where the challenges lie and how the Howard League can best approach dealing with them.

Our new Strategy will see us focus on the crisis in prison, given the political commitment to build more than 20,000 new prison places over the next few years. Importantly, while we will maintain our advice line for children and young people in custody, we will pivot our legal work from providing representation of children and young people to pursuing strategic litigation across the estate. My 21 months at the Howard League have opened my eyes to systemic human rights violations occurring behind prison gates across the country; daily indecencies and indignities that are so widespread that they have been normalised. We will be launching legal action to challenge such violations, sharing stories with the public to bring a better understanding of life behind bars.

The Howard League has always had a critical 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, and to this end, to improve the quality of the public's understanding of prison and the harm it causes. The Strategy will see us engage in a public-facing campaign on the realities of prison and the fact that it doesn't work, alongside four thematic priorities. These are remand, IPPs, joint enterprise and sentencing practice, including sentence inflation.

Our membership has grown over the past year, and I am keen to make more of our membership, using members to shape and advocate for our work. They are a unique and vital resource for us in advocating for change, and a key part of our role is in capturing and amplifying their experiences.

The abiding challenge for the coming year will be to secure a solid financial footing for the organisation, with diverse income streams supporting our Strategy. The past year has seen us move to a new database, which allows us to hold and process fundraising information reliably; and has supported the development of a pipeline of trusts and

foundations for us to approach. We are also keen to consolidate our relationships with existing major donors and to build new funding relationships.

I continue to be blown away by the huge amounts of goodwill for the Howard League and our mission to combat the excesses of punishment. The lead up to a general election is a challenging time for our messages, but that just makes them all the more important. I would like to thank our members, donors, funders, and staff for their support during this period of transition. I expect that the coming year will bring a lot of change for the Howard League, and hopefully, in a positive way, for the cause of penal reform.

Structure, governance and management.

Staffing

There have been staff movements during the year we are grateful to Catryn Yousefi, Marie Frankin and Leela Jadhav for years of service and their contribution to the work of the charity.

We were joined by Amy Dolley, Public Affairs and Policy Officer, Gemma Abbott, Legal Director, Ayomide Sotubo, Policy Officer during the year.

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.

We are hugely grateful to Nina Williams and her colleagues at Freshfields LLP for their advice and guidance to our human resources function.

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 has reviewed the charitable objects, and secured permission from the Charity Commission to update them. The new objects – which much better reflect our values and aspirations, while being faithful to our history – was adopted as part of updated Articles of Association at the 2023 AGM in December.

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 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.

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For the year ended 31 May 2023

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, comprised of Gemma Abbott (Legal Director), Andrew Neilson (Campaigns Director); Euginia Lolomari (Director of Finance and Operations) and Anita Dockley (Research Director). Until the recruitment of Gemma Abbott in March 2023, Managing Lawyers, Sinead MacCann and Claire Salama sat on 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 10 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 Chair and 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.

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.

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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, Delbert Sandiford and John Tress (Trustee).

The Committee 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, whistleblowing, 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).

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,

Trustees' annual report

For the year ended 31 May 2023

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

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

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Auditor

Sayer Vincent LLP serves as the charity's auditor.

The Trustees' annual report has been approved by the Board on 21 March 2024 and signed on their behalf by

Sally Lewis

Board member and Treasurer

Independent auditor's report

To the members of

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

Opinion

We have audited the financial statements of Howard League for Penal Reform (the 'charitable company') for the year ended 31 May 2023 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 2023 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)

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
-

Independent auditor's report

To the members of

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

- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Independent auditor's report

To the members of

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

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

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

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)

26 March 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

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 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	763,106	–	763,106	248,643	–	248,643
Charitable activities							
Campaigns, policy & research	3	84,000	80,000	164,000	5,000	135,050	140,050
Events, conferences & publications	3	68,193	–	68,193	56	–	56
Legal services for young people	3	36,380	144,321	180,701	57,409	171,665	229,074
Membership income	3	149,705	–	149,705	164,013	–	164,013
Other trading activities	4	13,369	–	13,369	14,755	–	14,755
Investments	5	32,082	–	32,082	50,735	–	50,735
Other		–	–	–	7,394	–	7,394
Total income		1,146,835	224,321	1,371,156	548,005	306,715	854,720
Expenditure on:							
Raising funds	6	100,619	–	100,619	73,004	–	73,004
Charitable activities							
Campaigns, policy & research	6	497,590	385,716	883,306	280,026	620,344	900,370
Events, conferences & publications	6	137,102	–	137,102	75,235	–	75,235
Legal services for young people	6	356,841	195,163	552,004	308,548	163,022	471,570
Membership	6	108,317	–	108,317	121,437	–	121,437
Total expenditure		1,200,469	580,879	1,781,348	858,250	783,366	1,641,616
Net expenditure before net gains / (losses) on investments		(53,634)	(356,559)	(410,193)	(310,245)	(476,651)	(786,896)
Net gains / (losses) on investments		(21,308)	–	(21,308)	2,131	–	2,131
Net expenditure for the year	7	(74,942)	(356,559)	(431,501)	(308,114)	(476,651)	(784,765)
Transfers between funds		–	–	–	–	–	–
Net expenditure before other recognised gains and losses		(74,942)	(356,559)	(431,501)	(308,114)	(476,651)	(784,765)
Gains on revaluation of fixed assets		400,000	–	400,000	–	–	–
Net movement in funds	17	325,058	(356,559)	(31,501)	(308,114)	(476,651)	(784,765)
Reconciliation of funds:							
Total funds brought forward		2,257,553	446,722	2,704,275	2,565,667	923,373	3,489,040
Total funds carried forward		2,582,611	90,164	2,672,775	2,257,553	446,722	2,704,275

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 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	12		1,829,223		1,455,230
Investments	13		-		1,213,669
			<u>1,829,223</u>		<u>2,668,899</u>
Current assets:					
Investments	13	419,930		-	
Debtors	14	478,756		78,462	
Cash at bank and in hand		15,905		120,205	
		<u>914,591</u>		<u>198,667</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(71,039)		(163,291)	
Net current assets			<u>843,552</u>		<u>35,376</u>
Total net assets			<u>2,672,775</u>		<u>2,704,275</u>
The funds of the charity:					
Restricted income funds	17		90,164		446,722
Unrestricted income funds:					
Designated property funds					
Property fair value reserve fund		1,150,000		750,000	
Property historic cost fund		650,000		650,000	
		<u>1,800,000</u>		<u>1,400,000</u>	
Total designated property funds				1,400,000	
Designated strategic fund		-		620,704	
General funds		782,611		236,849	
		<u>782,611</u>		<u>236,849</u>	
Total unrestricted funds			<u>2,582,611</u>		<u>2,257,553</u>
Total charity funds			<u>2,672,775</u>		<u>2,704,275</u>

Approved by the trustees on 21 March 2024 and signed on their behalf
by

Fergus McNeill
Chair

Statement of cash flows

For the year ended 31 May 2023

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

	2023 £	2022 £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(31,501)	(784,765)
Depreciation charges	26,007	26,159
Losses / (gain) on investments	21,308	(2,131)
Loss on disposal of fixed assets	–	–
Gain on revaluation of fixed assets	(400,000)	–
Dividends and interest from investments	(32,082)	(50,735)
Decrease / (increase) in debtors	(400,294)	29,503
(Decrease)/increase in creditors	(92,252)	93,600
Decrease/(increase) in cash held by investment broker pending reinvestment	(150,768)	–
Net cash provided by operating activities	(1,059,582)	(688,369)

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities		(1,059,582)		(688,369)	
Cash flows from investing activities:					
Dividends and interest from investments		32,082		50,735	
Proceeds from sale of investments		953,193		504,393	
Purchase of fixed assets		–		(42,275)	
Purchase of investments		(29,994)		(49,507)	
Net cash used in investing activities		955,281		463,346	
Change in cash and cash equivalents in the year		(104,301)		(225,023)	
Cash and cash equivalents at the beginning of the year		120,205		345,228	
Cash and cash equivalents at the end of the year		15,905		120,205	

Notes to the financial statements

For the year ended 31 May 2023

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 have reviewed the going concern position (as set out in the Trustees' Report) and consider it appropriate for these Financial Statements to be prepared on the going concern basis.

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 2023

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 | 10% |
| ● 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 | 34% |
| ● Events, conferences & publications | 11% |
| ● Legal services for young people | 33% |
| ● Membership income | 11% |
| ● Raising funds | 11% |

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 2023

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 workplace defined contribution pension scheme contributing 10% of gross salary.

Notes to the financial statements

For the year ended 31 May 2023

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations	151,533	-	151,533	213,724	-	213,724
Legacies	611,573	-	611,573	34,919	-	34,919
	<u>763,106</u>	<u>-</u>	<u>763,106</u>	<u>248,643</u>	<u>-</u>	<u>248,643</u>

The charity has been notified of a further potentially significant legacy where probate has been granted, but which not meet the criterion of measurement before the year-end. It is not possible to accurately assess the potential value of this legacy, which had not been received by March 2024.

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Esmée Fairbairn	24,000	80,000	104,000	5,000	80,000	85,000
Tolkien Trust	30,000	-	30,000	-	30,000	30,000
Lloyds Bank Foundation	-	-	-	-	25,050	25,050
Henri Rossi	20,000	-	20,000	-	-	-
Allen & Overy	10,000	-	10,000	-	-	-
Sub-total for campaigns, research & policy	84,000	80,000	164,000	5,000	135,050	140,050
Income from sales of publications	-	-	-	56	-	56
Events and Conferences	68,193	-	-	-	-	-
Sub-total for Events, conferences & publications	68,193	-	68,193	56	-	56
The Lottery	-	63,743	63,743	-	124,814	124,814
Barrow Cadbury	-	20,500	20,500	-	350	350
The Legal Education Trust	-	22,244	22,244	-	25,313	15,361
BBC Children in Need	-	27,084	27,084	-	19,938	19,938
Millward Charitable Trust	-	10,000	10,000	-	-	-
Legal services for young people	36,380	750	37,130	57,409	1,250	58,659
Sub-total for Legal services for young people	36,380	144,321	180,701	57,409	171,665	229,074
Membership subscriptions	113,498	-	113,498	119,978	-	119,978
Income tax recoverable on subscriptions /donations	36,207	-	36,207	44,035	-	44,035
Sub-total for Membership income	149,705	-	149,705	164,013	-	164,013
Total income from charitable activities	338,278	224,321	562,599	226,478	306,715	533,193

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

Notes to the financial statements

For the year ended 31 May 2023

4 Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Royalties for publications	13,369	-	13,369	14,755	-	14,755
	<u>13,369</u>	<u>-</u>	<u>13,369</u>	<u>14,755</u>	<u>-</u>	<u>14,755</u>

5 Income from investments

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from stocks and shares	31,102	-	31,102	50,403	-	50,403
Interest receivable	980	-	980	332	-	332
	<u>32,082</u>	<u>-</u>	<u>32,082</u>	<u>50,735</u>	<u>-</u>	<u>50,735</u>

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

Notes to the financial statements

For the year ended 31 May 2023

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 £	2023 Total £	2022 Total £
Staff costs (Note 8)	66,821	577,116	39,385	413,734	37,459	30,274	105,167	1,269,956	1,184,466
Other staff costs	-	34,313	-	1,855	-	-	17,125	53,293	122,983
Travel & Subsistence	-	16,224	-	2,275	-	1,301	575	20,375	5,497
Publication costs	-	1,653	-	165	37,335	-	269	39,422	53,327
Publicity & dissemination	201	22,881	66,155	770	-	-	3,180	93,187	21,882
Professional/Consultancy fees	-	79,744	-	39,619	-	-	34,136	153,499	99,467
Investment managers fees	2,035	-	-	-	-	-	-	2,035	3,750
Office and other expenses	-	-	-	2,749	-	-	20,405	23,154	29,518
Premises expenses	-	-	-	8,132	-	-	23,497	31,629	30,316
Miscellaneous expenses	-	4,798	-	76	1,961	160	2,974	9,969	429
Equipment purchase	-	1,214	-	-	-	-	376	1,590	4,184
Irrecoverable VAT	-	-	-	-	-	-	5,133	5,133	7,777
Equipment maintenance	-	-	-	5,547	-	-	27,146	32,693	34,833
Bank Charges	-	-	-	-	-	-	7,131	7,131	6,354
Audit & accountancy	-	-	-	-	-	12,275	-	12,275	10,675
Depreciation	-	-	-	-	-	-	26,007	26,007	26,159
	69,057	737,943	105,540	474,922	76,755	44,010	273,121	1,781,348	1,641,616
Support costs	22,760	136,561	22,760	68,280	22,760	-	(273,121)	-	-
Governance costs	8,802	8,802	8,802	8,802	8,802	(44,010)	-	-	-
Total expenditure 2023	100,619	883,306	137,102	552,004	108,317	-	-	1,781,348	
Total expenditure 2022	73,004	900,370	75,235	471,570	121,437	-	-		<u>1,641,616</u>

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

Notes to the financial statements

For the year ended 31 May 2023

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 £	2022 Total £
Staff costs (Note 8)	45,755	595,367	52,738	333,666	40,935	45,989	70,016	1,184,466
Other staff costs	-	81,085	-	5,437	-	7,750	28,711	122,983
Travel & Subsistence	-	2,357	-	1,386	-	1,125	629	5,497
Publication costs	306	6,292	-	235	46,494	-	-	53,327
Publicity & dissemination	-	21,882	-	-	-	-	-	21,882
Professional/Consultancy fees	-	65,330	-	32,912	-	-	1,225	99,467
Investment managers fees	3,750	-	-	-	-	-	-	3,750
Office and other expenses	696	-	-	5,289	-	72	23,461	29,518
Premises expenses	-	-	-	6,774	-	-	23,542	30,316
Miscellaneous expenses	-	-	-	-	-	-	429	429
Equipment purchase	-	1,964	-	1,000	-	-	1,220	4,184
Irrecoverable VAT	-	-	-	-	-	-	7,777	7,777
Equipment maintenance	-	-	-	4,822	-	-	30,011	34,833
Bank Charges	-	-	-	-	-	-	6,354	6,354
Audit & accountancy	-	-	-	-	-	-	10,675	10,675
Depreciation	-	-	-	-	-	-	26,159	26,159
	50,507	774,277	52,738	391,520	87,429	54,936	230,209	1,641,616
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)	-	-
Total expenditure 2022	73,004	900,370	75,235	471,570	121,437	-	-	1,641,616

Notes to the financial statements

For the year ended 31 May 2023

7 Net expenditure for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	26,007	26,159
Loss on disposal of fixed assets	-	-
Operating lease rentals:		
Equipment	5,589	5,644
Auditor's remuneration (excluding VAT):		
Audit	<u>12,275</u>	<u>10,675</u>

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,034,900	963,029
Social security costs	115,113	100,477
Employer's contribution to defined contribution pension schemes	119,943	120,960
	<u>1,269,956</u>	<u>1,184,466</u>

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

	2023 No.	2022 No.
£60,000–£70,000	-	1
£70,001 – £80,000	1	1
£80,001 – £90,000	2	3
£90,001 – £100,000	-	-
£120,001–£130,000	<u>1</u>	<u>-</u>

The total employee benefits including pension contributions and employers' national insurance of the key management personnel were £469,758 (2022: £505,818)

Total termination costs in the year were £54,571 (2022: £100,488).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totaling £ (2022: £1,125) incurred by 3 (2022: 3) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 May 2023

9 Staff numbers

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

	2023 No.	2022 No.
Raising funds	2	1
Campaigns, policy & research	8	8
Events conferences & publications	1	1
Legal services for young people	9	8
Membership	1	2
Support	2	1
Governance	1	1
	24	22

10 Related party transactions

Aggregate donations from related parties were £0 (2022: £nil).

There are no other related party transactions to disclose for 2023 (2022: 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 £
Cost or valuation					
At the start of the year	1,400,000	43,441	69,602	2,018	1,515,061
Additions	400,000	-	-	-	400,000
Disposals	-	(1,426)	-	-	(1,426)
	1,800,000	42,015	69,602	2,018	1,913,635
Depreciation					
At the start of the year	-	24,066	33,748	2,017	59,831
Charge for the year	-	19,375	6,632	-	26,007
Depreciation released	-	(1,426)	-	-	(1,426)
	-	42,015	40,380	2,017	84,412
Net book value					
At the end of the year	1,800,000	-	29,222	1	1,829,223
At the start of the year	1,400,000	19,375	35,854	1	1,455,230

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. An informal offer on the property was received in 2023 of £1,800,000. The trustees consider this indicates the fair value of the property at year-end.

Notes to the financial statements

For the year ended 31 May 2023

13 Listed investments	2023	2022
	£	£
Fair value at the start of the year	1,213,669	1,666,424
Additions at cost	29,994	49,507
Disposal proceeds	(953,193)	(504,393)
Cash	150,768	-
Net gain / (loss) on investments	<u>(21,308)</u>	<u>2,131</u>
	419,930	1,213,669
Fair value at the end of the year	<u>419,930</u>	<u>1,213,669</u>
Investments comprise:	2023	2022
	£	£
UK Common investment funds	227,868	1,175,003
Shares listed on the London Stock Exchange	41,294	38,666
Cash	150,768	-
	<u>419,930</u>	<u>1,213,669</u>
14 Debtors	2023	2022
	£	£
Other debtors	405,465	9,782
Accrued Legal work income	49,629	37,557
Disbursements	18,495	13,118
Accrued income	<u>5,167</u>	<u>18,005</u>
	478,756	78,462
15 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	18,166	1,656
Taxation and social security	33,149	32,202
Accruals	<u>19,724</u>	<u>129,433</u>
	<u>71,039</u>	<u>163,291</u>

Notes to the financial statements

For the year ended 31 May 2023

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

	General unrestricted £	Designated property funds £	Designated strategic funds	Restricted £	Total funds £
Tangible fixed assets	29,223	1,800,000	-	-	1,829,223
Net current assets	753,388	-	-	90,164	843,552
Net assets at 31 May 2023	782,611	1,800,000	-	90,164	2,672,775

16b Analysis of net assets between funds (prior 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
Net assets at 31 May 2022	236,849	1,400,000	620,704	446,722	2,704,275

17a Movements in funds (current year)

	At 1 June 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 May 2023 £
Restricted funds:					
Legal work (Adviceline)	-	37,834	(37,833)	-	1
Big Lottery – Legal work	54,842	63,743	(114,585)	-	4,000
Sentencing– young adults	-	20,500	(20,500)	-	-
The Legal Education Trust	-	22,244	(22,244)	-	-
Reducing arrests of women	2,500	-	(2,500)	-	-
Crime & problem gambling	319,143	-	(312,317)	-	6,826
Racial disparity research	70,237	80,000	(70,900)	-	79,337
Total restricted funds	446,722	224,321	(580,879)	-	90,164
Unrestricted funds:					
Designated property funds:					
Property fair value reserve fund	750,000	400,000	-	-	1,150,000
Property historic cost fund	650,000	-	-	-	650,000
Total designated property funds	1,400,000	400,000	-	-	1,800,000
Strategic fund	620,704	-	(620,704)	-	-
Total designated funds	2,020,704	400,000	(620,704)	-	1,800,000
General funds	236,849	1,146,835	(601,073)	-	782,611
Total unrestricted funds	2,257,553	1,546,835	(1,221,777)	-	2,582,611
Total funds	2,704,275	-	(1,802,656)	-	2,672,775

Notes to the financial statements

For the year ended 31 May 2023

17b Movements in funds (prior year)

	At 1 June 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 May 2022 £
Restricted funds:					
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
Total restricted funds	923,373	306,715	(783,366)	-	446,722
Unrestricted funds:					
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
General funds	386,955	-	(150,106)	-	236,849
Total unrestricted funds	2,565,667	-	(308,114)	-	2,257,553
Total funds	3,489,040	-	(1,091,480)	-	2,704,275

Notes to the financial statements

For the year ended 31 May 2023

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.

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 the youth justice estate.

Property

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

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 were 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 2023

18 Operating lease commitments

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

	Equipment 2023 £	2022 £
Less than one year	5,589	5,644
One to five years	10,871	16,460
	<u>16,460</u>	<u>22,104</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.