

PRISONERS' EDUCATION TRUST
(Company limited by guarantee no. 04132595
registered charity no. 1084718)

REPORT AND FINANCIAL STATEMENTS YEAR

ENDED 31 DECEMBER 2022

PRISONERS' EDUCATION TRUST

(Company limited by guarantee no. 04132595, registered charity no. 1084718)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2022

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,
ITS TRUSTEES AND ADVISERS**

For the year ended 31 December 2022

Trustees:

Hilary Cross – Deputy Chair (to 29 March 2023)
Ola Daniel (from 13 July 2022)
Catherine Dawkins - Honorary Treasurer (to 24 May 2023)
Elisabeth Davies - Chair (to 19 July 2023)
Judith Feline (from 1 April 2022)
Emily Giles
James Killen
Simon Mellor (from 13 July 2022)
Ken Merry (from 1 April 2022)
Vicki Morris
Mandeep Mahil
Lewis Owens (from 1 April 2022)
Sir Paul Phillips CBE
Richard Ward OBE – Acting Chair (from 19 July 2023)
Mark Welsh (to 30 March 2022)

Trustees serve four-year terms and are limited to a maximum of two terms other than in exceptional circumstances

Company Secretary and

Chief Executive:

Jon Collins

Company reg. no:

04132595

Charity reg. no:

1084718

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,
ITS TRUSTEES AND ADVISERS**
For the year ended 31 December 2022 (continued)

Registered office: The Foundry
17 Oval Way
London
SE11 5RR

Telephone: 020 3752 5680
Email: info@prisonerseducation.org.uk
Website: www.prisonerseducation.org.uk

Auditors: Price Bailey LLP
Chartered Accountants and Tax Advisors
24 Old Bond Street
Mayfair
London
W1S 4AP

Bankers: Barclays Bank
2 Victoria Street
London
SW1H 0ND

Unity Trust Bank
9 Brindley Place
Birmingham
B1 2HB

CCLA
Senator House
85 Queen Victoria Street
London, EC4V 4ET

**TRUSTEES' ANNUAL REPORT, (incorporating the Directors' report)
for the year ended 31 December 2022**

The trustees (who are also the directors for the purposes of company law) present their report and the audited financial statements for the year ended 31 December 2022.

The trustees confirm that the annual report and financial statements of Prisoners' Education Trust (PET) comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

OBJECTS, ACTIVITIES, AND STRATEGY

Objects

The charitable objects of PET are contained in our Memorandum and Articles of Association and relate to advancing the education and training of prisoners and ex-prisoners in the UK, the Isle of Man and the Channel Islands (though in practice we do not fund prisoner learners in Scotland and Northern Ireland). They include providing funding for distance learning courses; providing advice and guidance about education and training; promoting improvements in prison education policy and practice; publicising the authentic views and insights of prisoner learners; and commissioning and carrying out research, projects, reports, and conferences to help in evaluating and promoting improvements in prison education policy and practice in the UK.

Vision, mission and values

PET's **vision** is:

Prisoners' lives transformed through learning

This is supported by our **mission**:

Every prisoner a learner, every prison a place to learn

The vision and mission are underpinned by PET's values:

- **we inspire** hope and aspiration through learning;
- **we care** passionately about empowering learners and staff;
- **we collaborate** to achieve more together;
- **we are tenacious** to make change happen;
- **we are expert** and listen to learners and other experts;
- **we celebrate** everyone's successes; and
- **we are inclusive** and promote equality and diversity.

Strategy

PET published a new five-year strategy for 2022-26 in October 2021, available at prisonerseducation.org.uk/about-us. This strategy set out the following aims:

1. We will extend our reach by seeking out and engaging people in prison who have not yet considered or participated in distance learning.
2. We will extend the support that we provide, to enable learners to access courses that meet their goals and to increase the proportion who complete their courses.
3. We will make use of digital technology to enhance the learning experience for people in prison.
4. We will use PET's standing to influence policy in order to achieve change and realise our vision.

To enable us to carry out this work effectively and in line with our values the strategy also says that:

5. We will engage with and involve people with lived experience of prison education, so that PET continues to put the learner at the centre of all that we do.
6. We will put equality, diversity and inclusion at the heart of our work, to ensure that fairness is central to everything that we do.
7. We will ensure that PET is a well-run, effective and financially sustainable organisation, built on firm foundations and fit for the future.

These elements of the strategy inform every area of our work.

The sections on achievements and performance below use these strategic priorities to review our work in 2022.

Public benefit

PET, as a registered charity established to support prisoners and ex-prisoners in the UK, is a Public Benefit Entity. When approving PET's ongoing activities, trustees give due consideration to how they meet the Charity Commission's statutory guidance on public benefit.

- We grant access to distance learning courses not otherwise available within the prison system to individual adult prisoners throughout England, Wales, the Isle of Man and the Channel Islands. Rigorous Ministry of Justice research shows that these learning opportunities have a positive impact on reducing reoffending and promoting employment, benefitting the individuals, their families, and wider society.
- We provide an advice service to help prisoners maximise the benefits of successful selection, study and completion of their courses, which again benefits their families and wider society.
- We seek to improve prison education policy, support and promote best practice, and make the case for its benefits to society.

Grant making policy

Any individual aged 18 or over who has been sentenced, is currently serving a custodial sentence in England, Wales, the Channel Islands or the Isle of Man, and has six months or more left to serve on their sentence, is eligible to apply to PET to fund them to take part in an educational distance learning course.

Grants are awarded based on an application form, which is designed to gather evidence on a person in prison's readiness and motivation to participate in a distance learning course. This application form needs to be endorsed by an authorised member of staff at the prison. Applications are then scored against transparent criteria. Information, advice and guidance (IAG) is provided to

the applicant and to prison education staff throughout the application process. The application and scoring process was redesigned in 2019 and is now well-established.

Our application process is overseen by our Quality Assurance Panel, which is made up of trustees and a member of our Alumni Advisory Group. They meet at least three times a year to review application data, the number of successful applications, and equality, diversity and inclusion (EDI) data. This provides reassurance to the Board of Trustees that the application process is robust and fair.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS

Achievements and performance for 2022

PET in 2022 in numbers

Number of times information, advice and guidance given: 3,608

Number of calls to PET's Advice Line: 1,368

Number of different prisons from which people in prison have called PET's Advice Line: 109

Number of applications for funding from people in prison: 2,667

Number of distance learning courses funded for people in prison: 1,507

Income: £1.43m

Number of Twitter followers for PET: 20,191

During 2022, the prison system began to recover from the effects of the Covid-19 pandemic, with prisons emerging from lockdown and more people in prison regaining access to prison education departments. Prison regimes were, however, still far more restricted than they had been prior to the pandemic, with people in prison continuing to spend far more time in their cell than had been the case previously.

Within this context, PET continued to offer an invaluable service to prison learners, providing IAG to people in prison and supporting people in prison to access distance learning courses. We also, in line with our new strategy, continued to develop our work, looking to extend our reach and the support that we are able to offer to learners and explore ways to make better use of digital technology to improve learners' experiences.

Alongside this we continued to work to inform and influence prison education policy, working with ministers, civil servants and parliamentarians, as well as senior staff in HM Prisons and Probation Service (HMPPS), to support the development of prison education.

Our work during 2022 is described in more detail below, set out under the priorities identified in PET's organisational strategy.

1) Extending our reach by seeking out and engaging people in prison who have not yet considered or participated in distance learning.

During 2022 PET continued, through our Access to Learning (A2L) programme, to be the leading organisation funding and supporting distance learning in prisons in England and Wales. This is the largest area of our charitable expenditure. We provide a unique service to people in prison, enabling them to access distance learning courses that would otherwise be unavailable to them, and evidence from the Ministry of Justice's Justice Data Lab shows that this reduces reoffending and helps people leaving prison to secure employment.

PRISONERS' EDUCATION TRUST

As the restrictions put in place in prisons in response to the Covid-19 pandemic began to be lifted, 2022 saw a continuing recovery in the number of applications that we received and the number of courses that we were able to fund, although not yet quite to pre-pandemic levels.

During 2022 PET received 2,667 applications for support to access distance learning, of which 1,507 (57%) were successful. This exceeded our target for the year (1,470 awards) by 37. It is also more courses than we were able to support people to access in 2021, when there were 2,315 applications, of which 1,434 (62%) were successful.

	2019	2020	2021	2022
Applications	2,678	1,798	2,315	2,667
Awards	1,703	1,046	1,437	1,507

The five courses that were applied for most in 2022 were the National Examination Board in Occupational Safety and Health (NEBOSH) Award in Managing Risks and Risk Assessment; the Institution of Occupational Safety and Health (IOSH) Managing Safely course; Business Start-Up; the Bookkeeping Certificate; and the People, Work and Society Open University (OU) Access module. Looking at successful applications, the five courses that we were able to support most often were the NEBOSH HSE Award in Managing Risks and Risk Assessment, the IOSH Managing Safely course; Business Start-Up; the Bookkeeping Certificate; and Nutrition for Physical Activity.

We know from previous analysis by the Ministry of Justice's Justice Data Lab that access to these courses reduce reoffending and improve learners' chances of securing employment after release. But the feedback from learners continued to demonstrate the impact that access to distance learning can have. For example, one learner told us that:

"When I first was convicted, I lost all hope of having a future in something that would bring me joy and success in my work and professional life. PET has changed that, allowing me to complete my business start up course has given me back hope of a better life."

Another said:

"Thank you for funding this course. The impact this has had has been incredible. It has given me positivity whilst in prison and helped my mental health immensely. My prospects upon leaving prison look more hopeful and during times of lockdown this study has kept me sane and feeling positive about things. You have made a real difference to my life and my future."

During 2022, we updated our PET Course Prospectus based on feedback from learners and prison and education staff. We now offer over 125 courses, including nine new additions since the previous year. New courses added to the 2022 prospectus included Proofreading and Copy Editing, Drug and Alcohol Counselling, and E-Commerce Business, with the last of these written by someone with lived experience of prison. We also added three new animal care courses: Canine Science, Feline Studies, and Principles of British Wildlife Care and Rehabilitation. The prospectus was published digitally and sent to every prison in England and Wales. It is available on our website at: prisonerseducation.org.uk/get-support/prison-staff/our-courses/.

While in-person visits to prisons remained rare due to restrictions related to Covid-19, we instead ran online virtual prison sessions, where we were able to share information and good practice with distance learning co-ordinators and other staff. We also contributed to a range of events to promote PET and our services, including an event at the HMPPS Insights Festival, a webinar for HMPPS staff, conferences for members of Independent Monitoring Boards, and Unlocked Graduates' annual conference.

We also continued to contribute to each edition of Inside Time, the national newspaper for people in prison, to promote what PET has to offer. This is an important way to communicate directly with people in prison about the courses that PET offers and developments at PET, such as the launch of the new prospectus and the value of the OU Access modules that PET makes available.

As well as access to distance learning courses, PET continued to work in partnership with the Longford Trust to administer the Frank Awards, offering grants to people in prison to cover the cost of individual modules towards degrees at the OU. During 2022, we were able to support 15 people in prison through the Frank Awards (2021: 17).

Key achievements during 2022

- Funding 1,507 distance learning courses for people in prison, providing access to educational opportunities that would otherwise have been unavailable.
- Publishing an updated PET Course Prospectus, making information about the courses we offer available to people in prison.
- Launching a new programme of online sessions for prisons, making use of technology to enable us to provide information and guidance to distance learning co-ordinators and education staff.

2) Extending the support that we provide, to enable learners to access courses that meet their goals and to increase the proportion who complete their courses

The provision of IAG to people in prison is central to PET's work. During 2022, we provided IAG on 3,608 occasions (2021: 3,618), on average 301 times per month (2021:302). The top five subjects that we were contacted about were course selection, requests for an update on applications, information on how to apply, assistance with courses, and course materials not arriving.

A key way that learners and potential learners were able to contact us was via our Advice Line, which we launched in 2020 following the outbreak of the Covid-19 pandemic and the consequent introduction of severely restricted prison regimes. The Advice Line enables people in prison to contact us directly for advice and support and, despite the subsequent easing of Covid-related restrictions, we have decided to maintain the Advice Line as a core part of our service to people in prison.

During 2022 we received 1,368 calls (2021: 1,499) on the Advice Line from 496 unique callers (2021: 548), an average of 114 calls per month. The top subjects discussed on calls to the Advice Line during 2022 included requests for updates regarding the caller's application to PET, course choices and how to apply, and assistance with courses that they were studying. Many callers contacted the Advice Line more than once, demonstrating the way that the Advice Line enables PET to develop relationships directly with individual learners, supporting them as they choose a course, apply, complete their course and then consider their next steps.

The positive feedback that we received demonstrates the value of the Advice Line to people in prison. For example one learner told us that:

"the advice line supported by PET gives me extra confidence if I need any support, and I find that the support I have received through PET is way above the standards of the main education departments within the prison service."

In addition, PET continued to use the Email a Prisoner (EMAP) service - which enables emails to be printed out and handed to people in prison, with replies scanned and emailed back to us – to respond to queries and provide more information, following up on Advice Line calls that could not be resolved immediately. This enabled us to respond more quickly to enquiries and ameliorate some of the inevitable delays caused by using the post.

A key further strand of our work under this element of the strategy during 2022 was to support more people to complete their PET-funded distance learning courses. As the first element of this work, we completed four focus groups talking to people who had completed their PET-funded course and analysed the data that we hold on completion rates to explore patterns and trends. This work enabled us to begin to assess what more PET can do to support learners to complete their courses.

Key achievements during 2022

- Providing information, advice and guidance to prison education staff, people in prison, and their families on 3,608 occasions.
- Responding to 1,368 calls on our Advice Line, providing direct access for people in prison to our expert staff.
- Beginning a programme of work to enhance the support that we can offer to people in prison. This will continue in 2023.

3) Making use of digital technology to enhance the learning experience for people in prison

During 2022, PET prioritised two key areas of work in making better use of digital technology.

The first was making PET resources and the courses that we supply available digitally to people in prison. As in previous years, this work was constrained during 2022 by the limited availability of digital technology within prisons and the lack of internet access. Nonetheless we managed to make substantial progress.

PET's prospectus and the four short courses that we have developed for people in prison were made available digitally via laptop computers provided by Coracle Inside, a company that provides secure laptops to people in prison. The four short courses were also made available digitally via the Virtual Campus, the prison intranet. In addition, PET's application form – which people in prison have to fill in if they want to apply to do a course funded by PET – was made available digitally via Coracle Inside's laptops. PET also worked with Coracle Inside to make our first accredited course available to study digitally. By the end of 2022 Coracle Inside provided about 1,000 laptops in total to 51 prisons, with plans to expand further in 2023, enabling people who have access to them to find out more about PET and what we offer.

The second area of work was enabling us to gather data on PET's learners digitally, with prison education staff able to add information directly into our Salesforce database via a secure interface. This enabled them to update PET on learners' progress as well as transfers, releases and missing materials. This saves time for both prison education staff and PET staff, and provides us with more comprehensive and timely information. As one member of prison education staff said:

“Can I just say how fantastic I think this is ... it seems really user friendly and easy to navigate. It will really be easier to keep PETs better informed of the progress of the women. Another great example of how PETs continues to support us.”

Following a trial, this was rolled out during 2022 and 92% of prisons have now used this process to submit information to PET. Our priority during 2023 will be encouraging course suppliers to use a similar process.

Key achievements during 2022

- Making PET's prospectus and short courses available in digital format to people in prison for the first time.
- Making our first full distance learning course available digitally to people in prison.
- Rolling out a process that enables prison education staff to provide data on our learners to PET digitally, now used by 92% of prisons.

4) Using PET's standing to influence policy in order to achieve change and realise our vision

During 2022, PET worked to influence both the response of the prison system to the Covid-19 pandemic and the longer-term development of policy on prison education.

The report of the Education Select Committee's inquiry into prison education, which was announced in 2020, was published during 2022. PET was actively engaged in the inquiry from the outset and responded to the publication of the report, welcoming the majority of its recommendations and supporting their implementation. PET also responded to the Ministry of Justice's response to the report, urging them to take forward recommendations on priority areas such as the funding of prison education and the availability of digital technology to prison learners. PET also submitted a response to the Prisons Strategy White Paper and submitted evidence to the Commission on Young Lives about education for children in prison.

PET engaged with a Deputy Further Education Commissioner on a review of prison education carried out on behalf of the Further Education Commissioner, ensuring that it was informed by PET's experience and expertise. We continued to contribute to the Ministry of Justice's Higher Education Working Group and to the Clinks Reducing Reoffending Third Sector Advisory Board and its Special Interest Group on Future Regime Design. This enabled PET to feed into HMPPS's thinking on how activities in prisons will be managed and delivered as the plans develop.

During 2022, PET featured widely in the media, including on ITV's Good Morning Britain, LBC, MailOnline, the New Statesman, the Yorkshire Post, Wales Online, LADBible, Tes, FE News, FE Week, The Justice Gap, Russell Webster's blog and the Independent Monitor (the magazine for members of the Association of Members of Independent Monitoring Boards). PET's social media presence also continued to grow. Our Twitter following increased to more than 20,000 by the end of the year, helping our efforts to keep prison education on the public agenda. We also increased our use of LinkedIn as a forum to raise issues and promote discussion among people with an interest in prison education.

The Prisoner Learning Alliance

PET has continued to convene and provide the secretariat for the Prisoner Learning Alliance (PLA), an alliance of organisations and individuals from the charitable and educational sectors committed to improving policy and practice in prison education.

The PLA had a busy year in 2022, returning to a fuller work programme following the constraints imposed by the Covid-19 pandemic in 2020 and 2021. This included running a national conference, publishing a new report on professional development for prison educators, publishing a new set of materials to support cell-based prison education, and launching an Essential Skills and Inclusion Network, a forum for prison teachers and those supporting SEND work in prisons. The PLA also continued to respond to, and comment on, key developments in prison education policy and produce regular blogs and news updates on its website.

At the end of 2022 the PLA had 46 (2021: 59) organisational (full) members and 337 (2021: 215) individual associate members.

Key achievements during 2022

- Being cited extensively in the report of the Education Select Committee's inquiry on prison education, reflecting the key role that we had played throughout the inquiry.
- Being asked to contribute to the Deputy Further Education Commissioner's review of prison education, demonstrating PET's standing in the field of prison education.
- Continuing to be the leading social media presence on prison education, with an extensive Twitter audience and a growing LinkedIn profile.

5) Engaging with and involve people with lived experience of prison education, so that PET continues to put the learner at the centre of all that we do

PET has continued to ensure that people with lived experience of the prison system are at the heart of our work.

This includes hosting our Alumni Advisory Group, which influences PET practice and policy and informs our work. During 2022 this group met regularly and contributed to the ongoing development of PET's work. This has included helping to develop a new project with lived experience at its centre, which we hope to secure funding for in 2023, ensuring its co-creation from the outset.

Members of the Alumni Advisory Group also sit on our Strategy Focus Group, which is made up of staff and alumni and supports and guides the implementation of our new organisational strategy. It met throughout 2022, contributing to our digital work and our work to extend our reach. A member of the Alumni Advisory Group also sits on our Quality Assurance Panel, which oversees our application process.

People with lived experience of the prison system and prison education also sit on our Board of Trustees. In addition, we continue to run our Trustee Development Programme, which provides people with lived experience of the justice system an opportunity to gain the necessary experience to become a trustee in the future. The first person who completed the Trustee Development Programme successfully applied to become a member of the Board of Trustees, joining during 2022, and a second person has now joined the programme.

During 2022, at the suggestion of our alumni we also held a creative competition, enabling people in prison to submit pieces of work that celebrated their educational successes and achievements. Alumni judged the competition, which attracted more than 110 entries from over 50 prisons. Winning entries were displayed at our face-to-face event for supporters in November, where we also heard from some of our alumni about their experiences of education in prison and the role that PET had played.

We have continued to run the Alumni Network, which is open to anyone with experience of serving time in prison. The Network keeps its members up-to-date with services and opportunities from different organisations and provides a supportive environment for people who have been in prison.

Key achievements during 2022

- Creating a new Strategy Focus Group with staff and alumni members to guide the implementation of our new organisational strategy.
- Working with alumni to co-create a new project to enhance the support that PET offers to learners and extend our reach.
- Running a creative competition in partnership with alumni, enabling people in prison to showcase their talent and creativity.

6) Putting equality, diversity and inclusion at the heart of our work, to ensure that fairness is central to everything that we do

PET is committed to embedding equality, diversity and inclusion (EDI) into every aspect of our work.

During 2022 we revisited our work in this area. Staff and trustees worked together to develop and agree new EDI priorities for the organisation. We also agreed new Terms of Reference for a refreshed EDI Committee, which will oversee our work to deliver on these new priorities. This reformed committee will start meeting in 2023.

We continued to scrutinise the EDI data collected through our application process, identifying the communities who were underrepresented among those applying to PET for support and in the courses that we funded. This data was reviewed at a session with the Board of Trustees and PET's Senior Management Team, and is being used to help to shape and inform our work to extend our reach across the prison system.

We also finalised a new approach to recruitment, following a pilot in 2021. This new process, which is anonymous and relies on responses to questions rather than CVs to select candidates, is intended to increase accessibility and reduce unconscious bias, producing a fairer approach.

Key achievements during 2022

- Agreeing new EDI priorities for the organisation, which will inform our work during the next four years.
- Using the EDI data that we have collected to inform the development of a new project to extend PET's reach.
- Embedding a new, fairer approach to recruitment across PET, including in recruiting new trustees.

7) Ensuring that PET is a well-run, effective and financially sustainable organisation, built on firm foundations and fit for the future

Fundraising

Effective fundraising is essential to enabling PET to fulfil our objectives as a charity and is always a priority for the organisation. The fundraising environment in 2022 remained extremely challenging, with the pressures caused by the Covid-19 pandemic augmented by high levels of inflation and ensuing increases in the cost of living. This put pressure on our funders and undoubtedly had an impact on the income that we were able to secure. Despite these pressures, we raised £1.43m in 2022 (2021: £1.32m), a significant achievement in the circumstances.

We are, as always, immensely grateful for the generosity of our existing funders who continued to support us and to the significant number of new funders who supported us for the first time in 2022. We could not do what we do, providing educational opportunities to people in prison, without their support. A list of our major supporters can be found in Notes 2 and 3 of the accounts.

Events and supporter engagement

In 2022 we were able to hold an end of year event face-to-face for the first time since before the Covid-19 pandemic. This event, attended by supporters, alumni and other stakeholders, highlighted the achievements of our learners and showcased the work that PET had carried out in 2022. It was also an opportunity to host an exhibition of creative works from learners, collated from entries to our creative competition.

We also held an online event for supporters in April. This event was an opportunity for Jon Collins, PET's Chief Executive, to introduce himself to supporters, discuss his first year at PET, and talk about PET's plans for the future. This event was well-attended and feedback was very positive. In addition, PET continued to produce regular newsletters for our supporters, providing updates on our work and sharing learners' stories.

Staffing

Following an extended period with the staff team working primarily from home due to Covid-19, during 2022 PET adopted a hybrid working model. This approach has worked well and will enable us to reduce our costs by moving to a smaller office in 2023.

To further reduce costs, in response to the challenging fundraising environment and rising costs mentioned above, PET undertook restructures of the Senior Management Team and the Finance Team during the latter half of 2022. These changes were key steps towards putting PET on a firm financial footing for the future, recognising the need to respond promptly and proactively to changes in the external financial environment.

PET's trustees continued to be immensely impressed by the dedication and commitment of PET's staff in working together to tackle the considerable challenges caused by Covid-19. In line with PET's staff remuneration policy (see page 16 for more details), a full review of staff pay is only carried out biennially and was not due this year. Nevertheless, and consistent with the Board's approach in the past, pay was reviewed by the Remuneration Committee and staff salaries were adjusted in recognition of changes in the cost of living and the employment market.

Information technology

During 2022 we continued to develop our use of our Salesforce database. Its use to manage our service delivery is now well-embedded and we were able to use it to manage our application process effectively and to comprehensively monitor our activities. The data that we are now able to access as a result is key to our plans to develop our services in the future. We also continued to develop our use of our new supporter relationship management system, Beacon.

Safeguarding

PET continues to take a robust approach to safeguarding. During 2022, Vicki Morris was appointed as the trustee with responsibility for overseeing our work on safeguarding. She replaced Mark Welsh, who had held this role, when he stepped down with the Board. Our safeguarding policies and procedures were also reviewed and updated.

Data protection

In 2022 PET reviewed our Data Audit to ensure that we continue to be compliant with the UK GDPR.

Key achievements during 2022

- Raising £1.43m, significantly more than we raised during 2021, despite the challenging financial environment.
- Holding a face-to-face end of year event for the first time since the Covid-19 pandemic, with contributions from several PET alumni.
- Moving to hybrid working for all staff, maximising flexibility, supporting staff retention and reducing costs.

Our plans for 2023

During 2023, PET will continue to implement our new organisational strategy. Priorities will include:

- Maintaining a high-quality service to prison learners in the provision of information, advice and guidance, assessing applications for distance learning courses, and supporting successful applicants to complete their courses.
- Developing our work to provide additional support to our learners, with the aim of increasing the proportion who complete their courses.
- Developing and trialling the digital provision of more of our courses, working with partners.
- Influencing the development of prison education policy as the new Prison Education Service develops.
- Raising sufficient funding to deliver our objectives for the year while maintaining appropriate levels of reserves.

We will also continue to invest in our staff team, with a particular focus on improving wellbeing and providing training opportunities to support development. Retaining staff and ensuring that they are appropriately supported is, as always, a key priority for the Board of Trustees.

Given the economic environment and consequent increasing costs and challenges for fundraising, we expect that 2023 will again be a challenging year for charities financially. PET is not immune to these challenges and, as noted above, has already taken steps to respond by proactively reducing our running costs. The Board of Trustees and Senior Management Team will continue to take a robust approach to financial management during 2023 to ensure that PET maintains a strong financial position.

FINANCIAL REVIEW

The results of the year's operations are set out in the attached financial statements. The total retained reserves at 31 December 2022 amounted to £702,352 (2021: £1,065,156), of which £537,540 (2021: £787,301) were unrestricted.

Income for the year ended 31 December 2022 totalled £1,433,023 compared with £1,324,112 for 2021. As noted above on page 12, the trustees are satisfied with the level of income raised in 2022 given the challenging fundraising environment, while noting that it was less than originally anticipated.

In 2022 PET received £707,259 from charitable trusts and corporate institutions (2021 - £725,323); £471,534 from government sources (2021 - £426,627); £191,520 from individuals, including Gift Aid and legacies (2021- £128,811); £3,969 from fundraising events (due to the constraints caused by Covid-19) (2021 - £1,074); £6,959 from investment income and other income (2021 - £1,728); and £NIL income from donated goods and services (2021 - £NIL).

PET spent £1,794,301 in 2022, an increase of £140,367 from £1,653,934 in 2021. Overall there was a net deficit on unrestricted funds of £249,761 decreasing unrestricted funds from £787,301 to £537,640. Restricted funds decreased from £277,855 to £164,812 as funds secured in prior years were spent down.

The established pattern of the charity's fundraising activities is such that voluntary income will be available from a diverse range of trusts and individual donors at stepped intervals throughout the next 12 months, enabling the charity to manage cashflow effectively.

The trustees have considered and agreed that it is appropriate to prepare these annual financial statements on a going concern basis. They are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the date of approval. In preparing the annual budget for 2023, the Senior Management Team and Board of Trustees identified a range of cost saving measures to help ensure that PET can deliver its activities on a sustainable basis. These measures were implemented in the first half of 2023.

The trustees consider PET well-placed to further continue and develop its activities as a going concern through its fundraising efforts and close liaison with significant funders such as HMPPS. The HMPPS multi-year grant agreement came to an end in March 2023 and PET has secured two further years of funding at the same level.

The trustees are also confident that sensitivity analysis demonstrates that PET will continue to be able to support a satisfactory number of learners even if income from grant-making trusts and individuals is further adversely affected by ongoing difficult economic conditions in 2023.

Reserves policy

The trustees review the level of free reserves at every Board meeting. In addition to this, at least twice each year the trustees review the free reserves requirement and reserves policy to ensure it is adequate to meet PET's needs.

The calculation takes account of the minimum funds we would need for an orderly windup if the charity was required to cease operating at short notice, the working capital we would require to continue our charitable delivery in the event of a significant gap or drop in income or reduction in levels of unrestricted funding, and our need to hold some funds to invest in new streams of

PRISONERS' EDUCATION TRUST

charitable delivery before we are able to fundraise for their full costs. This excludes direct expenditure to support learners from restricted funding.

Given that most of PET's income is dependent upon successful fundraising activity and is therefore subject to unpredictable fluctuation, and given the uncertain fundraising environment all charities face in the current economic environment, PET needed to retain a robust level of free reserves during 2022. However, PET's Board of Trustees also recognised the need to invest in building the capacity of the Fundraising and Service Delivery teams during 2022, to support the delivery of PET's new organisational strategy.

On this basis, The Board of Trustees determined that PET's free reserves requirement at 31 December 2022 should be £480,000 (2021: £620,000). As at 31 December 2022 PET had free reserves available for use of £495,626 (2021: £693,657). Free reserves are calculated as unrestricted funds of £537,539 less £41,913 tied up in fixed assets.

Looking ahead to 2023, the trustees set an initial free reserves target for the year of £418,000 to reflect PET's reduced cost base following the implementation of a variety of cost savings in early 2023. This recognises the need to retain a sensible and prudent level of reserves but also to use available funds to support our charitable activities. This assumption will be kept under review during the year.

The Board has also agreed to continue the close monthly monitoring and review of the forecast free reserves position which has been in place since 2019. This involves the Chair and Honorary Treasurer informing the Board if at any point outside of Board meetings factors are identified that might cause free reserves to drop below the level required to manage an orderly wind-up of its activities.

Fundraising

The Board takes a best practice approach to fundraising. The Head of Fundraising and External Affairs reports to the Board on fundraising performance, strategy, legal and best practice developments at every Board meeting. The Board's Fundraising Committee meets with the Head of Fundraising and External Affairs, Chief Executive, and Head of Finance six times per year. At these meetings, the Committee reviews the fundraising business plan to provide further assurance over the appropriateness and effectiveness of our fundraising practices.

The Head of Fundraising and External Affairs is responsible for keeping up-to-date with best practice, ensuring the training and support of the team, and complying with fundraising regulations. The Board also undertakes formal and informal fundraising training on an ad hoc basis to ensure that staff and volunteers are sufficiently trained and informed of their legal responsibilities.

PET is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, undertaking at least an annual review of the Code (sometimes more if new standards are introduced or revised). PET is also registered with the Fundraising Preference Service. PET has a policy of not engaging agencies or commercial organisations. During 2022 we engaged a fundraising consultant to review our fundraising approach and provide additional capacity to the fundraising team.

We protect vulnerable donors through our Vulnerable Donors Policy. This involves upholding robust data protection controls over our supporter data; avoiding intrusive forms of fundraising such as telephone and door-to-door approaches; limiting our postal and email correspondence; and noting and adhering to supporter contact preferences. In 2022, two minor complaints were received regarding fundraising and responded to (2021: 3).

Staff remuneration policy

PET is hugely grateful for the commitment and enthusiasm of our staff. We believe that it is essential to attract and retain staff with the appropriate skills and capabilities, and reward them fairly for delivering PET's important work. It is therefore important to pay staff properly, while also having prudent regard to the use of charitable resources. In order to do this, PET reviews our salaries and overall rewards packages (including those of our key management personnel) on a biennial basis using a professional job evaluation methodology to consider salaries in relation to the charity sector for the job levels concerned. Trustees have the power, supported by a formal Remuneration Committee, to complete discretionary reviews between biennial salary reviews. Given the significant movement of pay and prices, and as noted in page 12 above, this discretionary process was activated in 2022 with staff salaries adjusted as a result to recognise cost of living changes and the employment market.

Risk management

The trustees regularly review, assess and ensure the implementation of systems to manage the major risks to which PET is exposed, in particular operational and financial risks. They review any material changes in risks at each Board meeting, with the assistance of the Chief Executive. They also complete a biannual risk review, once as part of the approval of PET's plans for the forthcoming year and again at the mid-year point. This is to ensure that adequate plans and procedures are in place to mitigate the key risks to which PET is exposed. Internal control risks are minimised by the implementation of procedures in respect of authorisation of expenditure and grant commitments.

The Board and executive team have collectively assessed the principal risks to which the charity is exposed (based on their combined probability and impact) as that:

- Ongoing restrictions to prison regimes following Covid-19 limits the number of people who apply to PET for support to access distance learning and limits the support learners are able to access.
- The challenging economic environment in the UK, including high rates of inflation, reduces the availability of charitable funding for PET while increasing PET's costs.
- PET fails to meet the ambitious fundraising targets set for 2023, using up more of our reserves than planned.
- There is insufficient capacity in the staff team to deliver PET's workplan.
- Staff stress levels are unacceptably high, affecting productivity and wellbeing.

The risk register identifies the key management actions to mitigate these risks. PET's Senior Management Team also considers monthly what new risks have emerged and what needs to be done to address them, ensuring that new risks are identified promptly.

STRUCTURE

PET is a charitable company, incorporated on 29 December 2000. It acquired the assets and undertaking, subject to liabilities, of Prisoners' Education Trust, a charitable trust, with effect from 1 January 2001. That trust, which had been established by a deed dated 19 April 1989, was formally wound up in 2003. PET is registered as a charitable company limited by guarantee and is governed by its memorandum and articles of association. PET has no share capital or debentures. In the event of PET being wound up each member is required to contribute an amount not exceeding £10.

GOVERNANCE AND MANAGEMENT

PET is governed by a Board of Trustees. The Board is responsible for establishing the strategic direction of PET. The Board delegates responsibility to the senior management team, through the Chief Executive, to execute the day-to-day operations of PET in accordance with the policies, procedures and budgets approved by the Board.

Following changes to PET's Articles of Association, agreed at an EGM in July 2021, trustees now serve four-year terms and are limited to a maximum of two terms other than in exceptional circumstances. Details of those serving on the Board during the year and those serving currently are shown on page 1.

The Board meets six times a year, in addition to its annual awayday. The Chair also conducts an annual review meeting with each trustee, collating the key themes to share back with the Board. This informs Board development priorities and improves performance. The Deputy Chair also carries out an annual appraisal of the Chair, actively seeking input from trustees and the Chief Executive to inform this.

The Board has continued to have regard to the Charity Governance Code (as applied to larger charities). At the end of 2022 no serving trustee had exceeded the recommended maximum in the Code of nine years.

The Board considers it important to maintain a balance of skills in its membership and has a well-established Nominations Committee that undertakes trustee recruitment and induction. The Committee led a rigorous and open process of trustee recruitment in 2021, with particular regard to diversity and the value of the voice of those with lived experience of the justice system. As a result four new trustees were appointed; they joined the Board during 2022. One person joined PET's Trustee Development Programme, which provides people with lived experience of the justice system with the opportunity to gain the necessary experience to become a trustee in the future.

As PET's current Honorary Treasurer was nearing the end of their final term as a trustee, the Nominations Committee ran a recruitment process for a new Honorary Treasurer during 2022. Following an open recruitment process a new trustee was appointed to take over the Honorary Treasurer role when PET's current Honorary Treasurer steps down in May 2023.

Mark Welsh completed his second term as a trustee and stepped down on 30 March 2022. PET would like to thank Mark for his contribution to PET and our work over eight years as a trustee. His knowledge and insight was greatly appreciated.

Alongside the Nominations Committee, the Board currently has four further committees. The Fundraising Committee, the Remuneration Committee and the Quality Assurance Panel continued to meet as needed during 2022. As noted above, the Terms of Reference for the Equality, Diversity and Inclusion Committee were reviewed in 2022 and it will be relaunched with a refreshed membership and remit during 2023.

President and patrons

PET was deeply saddened by the death of Lord Ramsbotham in December 2022. Lord Ramsbotham was a patron of PET and an inspiring advocate for our work and for prison education, both as HM Chief Inspector of Prisons and then in the House of Lords. We are extremely grateful for his support over many years.

Two further patrons of PET, Lord Woolf and Michael Smyth, stepped down during 2022. We are very grateful for their contribution to PET and to our work. PET will be approaching new patrons in 2023, having previously completed a review of our patrons and the President role within PET.

Relationship to the Prisoner Learning Alliance

PET provides the secretariat for the Prisoner Learning Alliance (PLA), of which it is also a member. The work of the PLA is overseen by a steering committee, of which the Chief Executive of PET is an ex-officio member, but the PLA remains an informal grouping of organisations with no separate legal identity. PET also secures funding to convene the PLA. We intend to explore the future viability of this funding relationship during 2023.

Chair of the Board of Trustees

In July 2023 Elisabeth Davies was appointed to a new role as the National Chair of the Independent Monitoring Boards, responsible for the independent monitoring of prisons, YOIs and places of immigration detention. As a matter of good governance, she stepped down from the role of Chair of the Board of Trustees of PET. Richard Ward was appointed to act as Chair on an interim basis while PET seeks a permanent successor. The Board would like to take this opportunity to record their thanks to Elisabeth Davies for her rigorous and productive leadership over the past five years. A more comprehensive summary of the achievements during her tenure will be included in the 2023 Trustees' Annual Report.

RESPONSIBILITIES STATEMENT OF THE TRUSTEES

The trustees (who are the directors of PET for the purposes of company law) are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom General Accepted Accounting Practice.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards 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 charitable company will continue in operation).

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of PET, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of PET, for ensuring that the assets are properly applied in accordance with charity law, and for taking reasonable steps for the detection and prevention of fraud and other irregularities.

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

In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that PET's auditors are aware of that information.

Preparation of the report

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Auditors

The auditors, Price Bailey LLP, have been appointed under Section 485 of the Companies Act 2006.

This report was approved and authorised for issue by the Board of Trustees on 16 August 2023 and signed on its behalf by:



.....
Richard Ward
Acting Chair of Trustees

Independent auditor's report to the members of Prisoners' Education Trust

Opinion

We have audited the financial statements of Prisoners' Education Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities incorporating the Income and Expenditure account, the Charitable Company Balance Sheet, the Statement of Cash Flows and the related 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees 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' report and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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

PRISONERS' EDUCATION TRUST

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 is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006, and Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management and officers of the Charitable Company.

To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is the 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 involved intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

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

M. Cooper-Davis

**Michael Cooper-Davis FCCA ACA (Senior
Statutory Auditor)**

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

24 Old Bond Street

London

W1S 4AP

Date: 17 August 2023

PRISONERS' EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
For the year ended 31 December 2022

<i>Note</i>	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds	
	£	£	2022	2021	
			£	£	
INCOME AND ENDOWMENTS:					
Donations and Legacies	2	515,123	373,656	888,779	779,223
Charitable Activities:					
Access to Learning: Government Grant	3	0	471,534	471,534	426,627
Policy and Research	3	0	10,000	10,000	5,650
Welsh Prisons Project	3	0	0	0	69,260
Other Trading activities	4	3,969	0	3,969	1,074
Investments		6,959	0	6,959	136
Furlough- HMRC		0	0	0	1,148
Prison Contributions		0	51,782	51,782	40,994
TOTAL INCOME AND ENDOWMENTS		526,051	906,972	1,433,023	1,324,112
EXPENDITURE:					
Raising funds		310,837	-	310,837	265,546
Charitable Activities:					
Access to Learning		299,219	1,003,351	1,302,570	1,057,170
Policy and Research		164,230	16,664	180,894	159,443
Welsh Prisons Project		-	-	-	171,775
Charitable Activities		463,449	1,020,015	1,483,464	1,388,388
TOTAL EXPENDITURE	5	774,286	1,020,015	1,794,301	1,653,934
Net Income/(Expenditure)		(248,235)	(113,043)	(361,278)	(329,822)
(Losses)/gain on Investment		(1,527)	-	(1,527)	1,592
Transfers between Funds		-	-	-	-
NET MOVEMENT IN FUNDS		(249,762)	(113,043)	(362,805)	(328,230)
RECONCILIATION OF FUNDS:					
Total Funds Brought Forward		787,301	277,855	1,065,156	1,393,386
TOTAL FUNDS CARRIED FORWARD		537,539	164,812	702,351	1,065,156

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

The annexed notes form part of these financial statements.

PRISONERS' EDUCATION TRUST

BALANCE SHEET
As at 31 December 2022

	Notes	2022	2021
		£	£
FIXED ASSETS			
Intangible fixed assets	8a	25,885	40,840
Tangible fixed assets	8b	16,028	17,923
Investments	9	20,889	22,415
		62,802	81,178
CURRENT ASSETS			
Debtors	10	206,074	326,616
Cash at bank and in hand		571,584	787,239
		777,658	1,113,855
LIABILITIES			
Creditors: amounts falling due within one year	11	(138,109)	(129,877)
NET CURRENT ASSETS / (LIABILITIES)		639,549	983,978
TOTAL NET ASSETS		702,351	1,065,156
TOTAL FUNDS OF THE CHARITY:			
Restricted funds	12	164,812	277,855
Unrestricted funds	12	537,539	787,301
		702,351	1,065,156

The annexed notes form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies. They were approved and authorised for issue by the trustees on 16 August 2023 and signed on their behalf by:



.....
Richard Ward
Acting Chair of Trustees

Company limited by guarantee no. 04132595 & registered charity no. 1084718.

PRISONERS' EDUCATION TRUST

STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	2022	2021
	£	£
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities (see below)	(216,506)	(520,346)
Cash flows from investing activities:		
Interest income	6,959	136
Investment income	(1,527)	1,592
Purchase of property, plant and equipment	(4,581)	(8,492)
Net cash provided by / (used in) investing activities	851	(6,764)
Change in cash and cash equivalents in the reporting period	(215,655)	(527,110)
Cash and cash equivalents at the beginning of the reporting period	787,239	1,314,349
Cash and cash equivalents at the end of the reporting period	571,584	787,239

RECONCILIATION OF NET INCOME/ (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income / (expenditure) for the reporting period (as per the SOFA)	(361,278)	(329,822)
Adjustments for:		
Depreciation charges	21,430	20,182
Interest income	(6,959)	(136)
Investment	1,527	(1,592)
Decrease / (increase) in debtors	120,543	(141,212)
Increase / (decrease) in creditors	8,231	(67,766)
Net cash provided by / (used in) operating activities (see above)	(216,506)	(520,346)

ANALYSIS OF CASH AND CASH EQUIVALENT

	2022	2021
	£	£
Cash in hand	94,312	50,655
Notice deposits (less than 3 months)	477,272	736,584
	571,584	787,239

The statement of cash flows includes the movement in cash balances of unrestricted funds and restricted funds. The Charity does not hold any endowment funds.

The annexed notes form part of these financial statements.

PRISONERS' EDUCATION TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

Analysis of change in net debt

	2022	2021
	£	£
Cash & cash equivalent as at 01/01/2022	787,239	1,314,349
Cashflows	(215,655)	(527,110)
Other non cash changes	-	-
Cash & cash equivalent as at 31/12/2022	571,584	787,239

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. ACCOUNTING POLICIES

PET is a charitable company limited by guarantee and incorporated in England and Wales. The Charity's registered office is The Foundry, 17 Oval Way, London SE11 5RR.

The principal accounting policies adopted, judgements and estimates made in the preparation of the financial statements are as follows:

Basis of preparation of financial statements

PET meets the definition of a public benefit entity under FRS 102. 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) (second edition - effective from January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006. As there are no material uncertainties about the charity's ability to continue operating, the accounts have been prepared on a going concern basis.

The financial statements are prepared in Sterling, which is the functional currency of the Charity and the financial statements are rounded to the nearest pound.

The effects of events relating to the year ended 31 December 2022 which occurred before the date of approval of the financial statements by the trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2022 and the results for the year ended on that date. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

The trustees have assessed the charity's requirements for the foreseeable future and are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the date of approval of these financial statements. PET has implemented a number of cost-saving measures in late 2022 and early 2023 that will enable the charity to operate on a more financially sustainable basis. HMPPS have renewed their major grant until 31 March 2025 and, although the charity anticipates some continuing challenges in the fundraising environment in 2023, the trustees are satisfied that the charity will still be able to maintain a sufficiently strong income pipeline, reinforced by the current level of free reserves, for the charity to continue implementing its strategy for 2022–2026. The trustees are also confident that sensitivity analysis demonstrates that PET will continue to be able to support a satisfactory number of learners even if the HMPPS grant ceases unexpectedly. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern as a result of not being able to raise further funds

Income

Income is included in the Statement of Financial Activities when PET is legally entitled to the income, it is probable that the income will be received, and the amount can be measured reliably. Grants are accounted for in the period specified for their use by donors or, where there is no time restriction, when conditions have been met and entitlement has been gained. Where the charity receives government grants, it recognises the income only where there is reasonable assurance that the charity will comply with the conditions attaching to the grants, and that they will be received.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

Income (continued)

Legacy income is recognised when it is probable that a legacy will be received (when probate has been granted, the executors have confirmed that there are sufficient assets to make a distribution, and there are no other conditions preventing a distribution), and the amount receivable can be reliably measured. Income tax recoverable in relation to investment income or Gift Aid donations is recognised at the time the relevant income is receivable.

Donated services include venue use, catering for meetings and events, and research services. Facilities and services donated for PET's use, where the benefit is quantifiable, are recognised in the financial statements as both income and expenditure, at the value the charity would have paid in the open market for an equivalent economic benefit in the period in which they are received. Donated goods for distribution are recognised as income (or stock if not yet distributed) and expenditure at fair value, or if fair value is not practicably obtained, at the cost to the donor. Ticketed fundraising event income is recognised when the event has taken place and entitlement has thus been gained. All other income is accounted for on the accruals basis. See also note 14 for the contribution of volunteers.

Expenditure

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. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Expenditure on raising funds comprises the costs associated with generating income. Support and governance costs, which cannot be directly attributed to particular activities, have been apportioned proportionately based on the activity levels of different charitable activities, and their relative demands on central resources. Grants awarded are recorded as liabilities and expenditure recognised in the Statement of Financial Activities when the award has been approved, as a constructive obligation has been formed. Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of PET and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by PET for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is detailed in Note 12.

Fixed assets, depreciation and amortisation

All individual assets costing more than £500 are capitalised. Individual assets costing below £500 are capitalised where they form part of a packaged asset with a total value over £500.

Tangible assets are depreciated over their expected useful lives on the following bases:

Furniture/fittings	-	10 years
Office & IT equipment	-	5 years

Intangible assets are amortised over their expected useful lives on the following bases:

Website	-	5 years
Database	-	5 years

Cash

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

Pensions

PET contributes employer contributions towards a Pensions Auto-enrolment compliant group personal pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable.

Financial instruments

The charity only has basic financial instruments; they are initially recognised at transaction value and subsequently measured at their settlement value. Cash and deposits are measured at the cash value held at the reporting date. All debtors and creditors are initially measured at the settlement amount after any discounts (under normal credit terms) have been applied; if settlement is due in more than one year, the value is included at discounted net present value.

Taxation

PET has charitable status and is thus exempt from taxation on its income under various exemptions available in the Taxes Acts.

Key judgements and estimation policy

No significant judgments (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The trustees made estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related outcome.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022

2 INCOME FROM DONATION AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Institutions who granted or donated £5,000 or more:						
ABF The Soldiers' Charity	-	20,444	20,444	-	-	-
Adrian Swire Charitable Trust	20,000	-	20,000	20,000	-	20,000
Beatrice Laing Trust	-	5,000	5,000	-	5,000	5,000
Charles Hayward Foundation	-	15,000	15,000	-	-	-
City & Metropolitan Welfare Charity	-	5,000	5,000	-	-	-
Colyer-Fergusson Charitable Trust	-	8,250	8,250	-	8,000	8,000
Drapers' Charitable Fund	25,000	-	25,000	-	-	-
Dulverton Trust	35,000	-	35,000	-	-	-
Edward Cadbury Charitable Trust	-	5,000	5,000	-	5,000	5,000
Fishmongers' Company's Charitable Trust	-	30,000	30,000	-	-	-
Evan Cornish Foundation	-	10,422	10,422	-	9,684	9,684
Haddenham Healthcare Ltd	5,000	-	5,000	-	-	-
Jill Franklin Trust	-	9,600	9,600	-	9,600	9,600
John Armitage Charitable Trust	60,000	-	60,000	60,000	-	60,000
Monday Charitable Trust	-	6,115	6,115	-	7,194	7,194
Nagle Family Foundation	-	10,000	10,000	-	-	-
Police and Crime Commissioner for South Yorkshire	-	-	-	-	5,380	5,380
PPL	5,000	-	5,000	-	-	-
Schroder Charity Trust	-	-	-	-	5,000	5,000
Society of the Holy Child Jesus	-	-	-	25,000	-	25,000
The 29th May 1961 Charitable Trust	12,000	-	12,000	12,000	-	12,000
The Banham Charitable Foundation	-	10,000	10,000	-	-	-
The Bromley Trust	20,000	-	20,000	20,000	-	20,000
The Brook Trust	-	20,000	20,000	-	20,000	20,000
The Carr-Gregory Trust	10,000	-	10,000	10,000	-	10,000
The Charles Irving Charitable Trust	-	-	-	-	-	-
The Cherry Family Foundation	-	14,475	14,475	-	-	-
The Constance Travis Charitable Trust	50,000	-	50,000	50,000	-	50,000
The Goldsmiths' Company Charity	30,000	-	30,000	30,000	-	30,000
The Hadley Trust	35,000	-	35,000	35,000	-	35,000
The Henry C Hoare Charitable Trust	5,000	-	5,000	-	-	-
The Horlock Educational Trust	-	10,000	10,000	-	10,000	10,000
The Lawson Trust	-	5,000	5,000	-	-	-
The Lord Belstead Charitable Trust	-	5,000	5,000	-	5,000	5,000
The Peacock Charitable Trust	8,000	-	8,000	8,000	-	8,000
The Portal Trust	-	5,380	5,380	-	5,380	5,380
The Robert Gavron Charitable Trust	-	5,000	5,000	-	-	-
The Shears Foundation	-	10,000	10,000	-	5,000	5,000
The Singer Foundation	-	10,422	10,422	-	10,760	10,760
The Susanna Peake Charitable Trust	-	5,000	5,000	-	5,000	5,000
The Taylor Family Foundation	-	22,000	22,000	-	20,000	20,000
The Vandervell Foundation	5,000	-	5,000	5,000	-	5,000
Van Neste Foundation	-	10,000	10,000	-	10,000	10,000
William Harding's Charity	-	-	-	-	5,380	5,380
Other donations from institutions	30,148	85,003	115,151	41,134	182,900	224,034
Individuals who donated £5,000 or more:						
David Knowles	-	6,000	6,000	-	-	-
Overlangdon	10,000	-	10,000	-	-	-
Other donations from individuals	90,763	25,545	116,308	86,707	34,691	121,398
Legacies donated of £5,000 or more:						
Other legacy income	59,212	-	59,212	7,412	-	7,412
	515,123	373,656	888,779	410,254	368,969	779,223

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2022 £	2022 £	2022 £	2021 £
Access to Learning Grants:				
Ministry of Justice	-	453,578	453,578	403,481
Welsh Assembly Government	-	17,956	17,956	23,146
	-	471,534	471,534	426,627
Policy and Research grants:				
Barrow Cadbury Trust	-	-	-	700
Texel Foundation	-	10,000	10,000	-
Other Donors	-	-	-	4,950
	-	10,000	10,000	5,650
Welsh Prisons Project				
Moondance Foundation	-	-	-	69,260
	-	481,534	481,534	501,537

All funds received in 2022 were restricted (2021: all restricted). Included within Income from Charitable Activities are total government grants of £471,534 (2021 - £426,627). The total value of the grant received has been recognised in year.

For a description of the nature and purpose of material government grants see Note 12.

There are no unfulfilled conditions or contingencies attaching to the grants which have been recognised as income, and no other material sources of government assistance were received (2021 - the same).

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2022 £	2022 £	2022 £	2021 £
Fundraising events	3,969	-	3,969	1,074
	3,969	-	3,969	1,074

In 2022 all income from other trading activities was unrestricted (2021: all unrestricted).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

5. EXPENDITURE

Support staff costs have been allocated based on an estimate of the percentage of time staff spent supporting the activity; office costs have been apportioned based on an estimate of relative usage of these central resources. Premises costs have been allocated across projects based on estimated floor space used. Support costs are analysed overleaf:

Grant funding of activities	Staff costs	Activities undertaken directly	Support costs	Total	Total
2022	2022	2022	2022	2022	2021
£	£	£	£	£	£
Access to Learning Grants:					
Access to Learning	600,768	500,442	26,271	175,089	1,057,170
Policy and Research	-	141,772	6,676	32,446	159,443
Welsh Prisons Project	-	-	-	-	171,775
Total expenditure on charitable activities	600,768	642,214	32,947	207,535	1,483,464
Raising funds	-	221,572	11,139	78,126	310,837
Support and governance	-	123,828	161,833	(285,661)	-
	600,768	987,614	205,919	-	1,794,301
					1,653,934

Prior Year

Grant funding of activities	Staff costs	Activities undertaken directly	Support costs	Total
2021	2021	2021	2021	2021
£	£	£	£	£
Access to Learning Grants:				
Access to Learning	507,891	378,842	13,408	157,029
Policy and Research	-	118,476	4,015	36,952
Welsh Prisons Project	3,054	144,329	12,086	12,306
Total expenditure on charitable activities	510,945	641,647	29,509	206,287
Raising funds	-	180,656	11,795	73,095
Support and governance	-	120,175	159,207	(279,382)
	510,945	942,478	200,511	-
				1,653,934

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

Analysis of support costs

	Total 2022 £	Total 2021 £
Support staff costs	101,458	99,236
Rent, service charge and rates	70,576	72,794
Other premises costs	1,499	759
Insurance	4,303	3,482
Computer and IT costs	30,295	30,819
Bank charges	1,135	1,398
Postage, photocopier and telephone	11,344	8,156
Printing and stationery	2,838	2,732
Legal and advice costs	-	-
Depreciation	21,430	20,182
Other support costs	7,741	6,809
Governance staff costs	22,370	20,939
Other governance costs	10,672	12,076
	33,042	33,015
	285,661	279,382

Expenditure includes:

	2022 £	2021 £
Auditors remuneration:		
Audit fee excluding VAT	7,350	7,350
Irrecoverable VAT on audit fee	1,470	1,470
Operating lease rentals - Land and buildings	57,175	57,175
- Plant and equipment	1,649	2,479
Depreciation on owned assets	21,431	20,182

Grant funding includes grants payable for Open University, other accredited and unaccredited distance learning courses, and small grants for other educational materials. All grants are made to acquire courses and materials for individuals, and have been analysed below:

	2022 £	2021 £
Open University courses	79,092	120,604
General education courses	521,676	390,341
	600,768	510,945

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

6. STAFF NUMBERS AND COSTS

	2022	2021
	£	£
Wages and salaries	844,217	806,627
Social security costs	88,147	79,972
Defined contribution pension costs	41,730	40,417
Other staff costs	6,157	4,751
Agency staff and consultants	7,363	10,711
	987,614	942,478

The average monthly number of employees, calculated as full time equivalents (FTE), during the period was:

	2022	2021
	FTE	FTE
Raising funds	5.0	4.2
Access to Learning	11.5	8.8
Policy and Research	2.3	2.3
Welsh Prisons Project	0.0	3.1
Governance	0.3	0.3
Support	1.8	1.8
	20.9	20.5

The average monthly number of employees, calculated as average head count (AHC), during the period was:

	2022	2021
	AHC	AHC
Raising funds	5.6	4.9
Access to Learning	11.6	8.9
Policy and Research	2.5	2.7
Welsh Prisons Project	0.0	3.3
Governance	0.3	0.3
Support	1.8	1.8
	21.8	21.9

One employee received employee benefits in the range of £80,000 - £90,000 and one other employee received employee benefits in the range of £60,000 - £70,000; employers' pension contributions of 5% of total earnings were also payable (2021 - same). The key management personnel of PET received earnings and benefits (including employer pension contributions of 5% of total earnings) totalling £377,963 (2021 - £342,643). The number of key management personnel was 5 (2021- 5) being the Chief Executive, and four Heads of Departments; the FTE number of key management personnel staff members was 5 (2021 - 5).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

6. STAFF NUMBERS AND COSTS (continued)

Pensions – defined contribution scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £41,730 (2021 £40,417). Contributions totalling £nil (2021: £28) were payable to the fund at the balance sheet date and are included in creditors.

7. TRUSTEE TRANSACTIONS AND RELATED PARTIES

During the year, no trustee received any remuneration (2021 - £NIL). Three trustees received reimbursement of travel expenses to attend trustee meetings totalling £236 (2021 – 1 trustee, £105). The Charity received £3,315 in donations on usual terms from its trustees, key management personnel, their close family members and entities over which they have significant interest or effective control during the period (2021- £3,575). Total expenses incurred by the trustees in the furtherance of their duties but not reclaimed from the Charity were immaterial in 2022 and 2021. There is no ultimate controlling party. There were no other related party transactions (2021: none).

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

8a. INTANGIBLE FIXED ASSETS

	Website £	Database £	Total 2022 £	Total 2021 £
COST				
Opening balance 1 January 2022	36,048	38,726	74,774	71,154
Additions	-	-	-	3,620
At 31 December 2022	36,048	38,726	74,774	74,774
Amortisation				
Opening balance 1 January 2022	19,632	14,302	33,934	19,307
Charge for the period	7,210	7,745	14,955	14,627
At 31 December 2022	26,842	22,047	48,889	33,934
NET BOOK VALUE				
At 31 December 2021	16,416	24,424	40,840	51,847
At 31 December 2022	9,206	16,679	25,885	40,840

8b. TANGIBLE FIXED ASSETS

	Furniture & Fittings £	Office & IT Equipment £	Total 2022 £	Total 2021 £
COST				
Opening balance 1 January 2022	23,208	23,809	47,017	42,145
Additions	636	3,945	4,581	4,872
At 31 December 2022	23,844	27,754	51,598	47,017
DEPRECIATION				
Opening balance 1 January 2022	16,366	12,728	29,094	23,539
Charge for the period	2,618	3,858	6,476	5,555
At 31 December 2022	18,984	16,586	35,570	29,094
NET BOOK VALUE				
At 31 December 2021	6,842	11,081	17,923	18,606
At 31 December 2022	4,860	11,168	16,028	17,923

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

9. INVESTMENTS

	2022 £	2021 £
Aviva Investment Bond:		
Market value brought forward	22,415	20,823
Additions		
Distributions reinvested		1,592
Unrealised (loss)/gain	(1,526)	-
Market value carried forward	<u>20,889</u>	<u>22,415</u>
Historical cost	<u>21,064</u>	<u>21,064</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade Debtors	1,602	2,771
Net prison contributions due	18,544	13,949
Grants receivable	155,870	288,656
Donations receivable	7,039	7,660
Prepayments	10,903	2,747
Other accrued income	7,221	5,937
Lease deposit	4,895	4,895
	<u>206,074</u>	<u>326,616</u>

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2022

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	39,172	35,123
Taxation and social security costs	28,981	21,467
Grants committed but not yet paid (see below)	43,583	47,904
Accruals	15,457	17,872
Deferred Income	3,523	-
Other creditors	7,393	7,511
	138,109	129,877
At start of year	47,904	76,256
Grants committed in the year	559,798	507,178
Grant commitments fulfilled	(564,119)	(535,529)
	43,583	47,904

Grant commitments are recorded as liabilities on the balance sheet and as expenditure in the Statement of Financial Activities when the award has been approved, as a constructive obligation has been formed. The vast majority of grant awards are fulfilled within 12 months of the commitment.

Deferred income analysis:

At start of year	-	69,260
Amounts added in the year	3,523	-
Amount released to income from previous years -	-	(69,260)
	-	-
At end of year	3,523	-

Deferred income comprises grant monies received during the period subject to donor-imposed conditions specifying the time period over which the expenditure of resources can take place (received in 2022, but intended by the donor for the year ending 31 December 2023).

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

12a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Intangible Fixed Assets	25,885	0	25,885	40,840
Tangible fixed assets	16,028	0	16,028	17,923
Investments	20,889	0	20,889	22,415
Current Assets	533,345	244,313	777,658	1,113,855
Current Liabilities	(58,609)	(79,500)	(138,109)	(129,877)
	537,538	164,812	702,351	1,065,156

Prior Year Comparative Figures

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Intangible Fixed Assets	40,840	-	40,840
Tangible fixed assets	17,923	0	17,923
Investment	22,415	-	22,415
Current Assets	746,482	367,373	1,113,855
Current Liabilities	(40,359)	(89,518)	(129,877)
	787,302	277,855	1,065,156

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

12b. FUNDS OF THE CHARITY

	Brought Forward 01/01/2022 £	Income £	Expenditure £	Transfers £	Carried Forward 31/12/2022 £
RESTRICTED FUNDS					
Policy and Research	12,198	7,800	(16,664)	-	3,334
Governance	-	-	-	-	-
Access to Learning					
General	73,109	87,011	(120,445)	-	39,675
Womens prisoners	8,629	45,000	(45,738)	-	7,891
Younger prisoners	322	42,802	(30,704)	-	12,420
Older prisoners	-	-	-	-	-
Army veterans	6,311	24,444	(27,704)	-	3,051
HMPPS England	27,690	453,578	(481,081)	-	187
HMPPS Wales	-	17,956	(17,956)	-	-
Geographically restricted	55,036	128,136	(117,065)	-	66,107
Course subject restricted	40,224	5,000	(44,265)	-	959
Course Development	-	30,000	(16,840)	-	13,160
Advice Line	9,000	12,463	(11,305)	-	10,158
Small Grants	1,202	1,000	-	-	2,202
Prison & Prisoners' contribution	4,155	51,782	(50,993)	-	4,944
Awards	724	-	-	-	724
Welsh Prisons Project	39,255	-	(39,255)	-	0
	277,855	906,972	(1,020,015)	-	164,812
UNRESTRICTED FUNDS					
	787,301	524,524	(774,286)	-	537,539
TOTAL FUNDS	1,065,156	1,431,496	(1,794,301)	-	702,351

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

Prior year comparative figures:

	Brought Forward 01/01/2021 £	Income £	Expenditure £	Transfers £	Carried Forward 31/12/2021 £
RESTRICTED FUNDS					
Policy and Research	44,476	24,398	(56,676)	-	12,198
Governance	-	-	-	-	-
Access to Learning					
General	166,444	135,440	(215,805)	(12,970)	73,109
Womens prisoners	2,160	45,144	(38,224)	(451)	8,629
Younger prisoners	4,919	40,064	(45,110)	451	322
Older prisoners	-	-	-	-	-
Army veterans	32,860	2,000	(28,549)	-	6,311
HMPPS England	18,298	403,481	(394,089)	-	27,690
Hmpps Wales	-	23,145	(23,145)	-	-
Geographically restricted	40,620	108,224	(93,809)	-	55,035
Course subject restricted	49,522	-	(9,298)	-	40,224
Course Development	-	-	-	-	-
Advice Line	11,072	18,836	(20,908)	-	9,000
Small Grants	2,202	-	(1,000)	-	1,202
Prison & Prisoners' contribution	4,466	41,508	(41,819)	-	4,155
Awards	724	-	-	-	724
Learner Engagement/Welsh Prisons Project	78,164	69,260	(108,169)	-	39,255
	455,927	911,500	(1,076,602)	(12,970)	277,855
UNRESTRICTED FUNDS					
	937,459	414,204	(577,332)	12,970	787,301
TOTAL FUNDS	1,393,386	1,325,703	(1,653,934)	-	1,065,156

PRISONERS' EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

Restricted funds

Policy & Research

For research, policy, advocacy and alumni development work, including support of the PLA, funded in 2022 by the Texel Foundation.

Access to Learning:

General	For distance learning courses and advice, major funders in 2022 include: The Big Give Christmas Challenge (various donors including Monday Charitable Trust), Beatrice Laing Trust, Jill Franklin Trust, Nagle Family Foundation, Van Neste Foundation and various other trusts.
Women prisoners	For distance learning courses and advice to women in prison, major funders in 2022 include: The Brook Trust, Charles Hayward Foundation, The Robert Gavron Charitable Trust, The Roddick Foundation and various other trusts.
Younger prisoners	For distance learning courses and advice to younger prisoners under 30, major funders in 2022 include: Evan Cornish Foundation, The Horlock Educational Trust, The Portal Trust, The Taylor Family Foundation and various other trusts.
Ex-armed forces	For distance learning courses to ex-service personnel, major funders in 2022 include: ABF The Soldiers' Charity and various other trusts.
HMPPS England	Funding granted for distance learning courses, including Open University Access courses and a range of accredited and unaccredited further education courses, as well as an Advice and Information service for serving prisoners and their families.
HMPPS Wales	Funds granted by the Welsh Assembly Government, through HMPPS in Wales for prisoners who are ordinarily resident in Wales to study Open University and other accredited and unaccredited further education courses.
Geographically restricted	Funds granted for distance learning courses and advice with specific geographical restrictions. Major funders in 2022 include: Cherry Family Foundation, City & Metropolitan Welfare Charity, Colyer-Fergusson Charitable Trust, Edward Cadbury Charitable Trust, The Lawson Trust, The Lord Belstead Charitable Trust, The Shears Foundation, The Singer Foundation, Susanna Peake Charitable Trust, William Harding's Charity and various other charities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

Restricted funds (continued)

Course subject restricted & Course development	Funds granted for distance learning courses with specific subject restrictions and course development. Major funders for course subject restriction in 2022 include: David Knowles, The Banham Charitable Foundation, and various other charities.
Learner engagement/ Welsh Prisons Project	Funds restricted to strengthen and extend our support for Welsh prisoners, building learning communities to support our students to achieve their educational and vocational goals, whilst in custody and upon release. Moondance Foundation is the main contributor for this project.
Advice Line	Schroder Charity Trust, Taylor Family Foundation, and some other organisations and individuals contributed funds to support this work.
Digital Development	Fishmongers' Company's Charitable Trust provided the support for this work

13. OTHER FINANCIAL COMMITMENTS

At 31 December 2022 the Charity had an operating lease for its London office premises with a remaining term of less than 5 years. There is a rolling 6-month break clause, and therefore the commitment by the charity at any given point is 6 months' rent and service charge. As at 31 December 2022, this amounted to £34,458 (2021 - £34,458). The Charity also had a non-cancellable operating lease commitment of £423 (2021 - £423) for equipment falling due within one year.

In October 2015 the charity signed an operating licence for an office space in Cardiff with an initial 18 month term and a rolling one month break clause. The commitment of the charity at any one time is rent and service charges of £625. There are no other non-cancellable operating licence commitments falling due within one year or in more than one year (2021 - the same).

14. CONTRIBUTION OF VOLUNTEERS

We are very grateful for the vital contributions to our work made by volunteers in 2022 in many different capacities. A number of our alumni that we had helped while in prison and are now in the community gave their time to speak at events or to journalists to promote our work. Some of our high profile supporters also gave their time to speak at events on our behalf. We were given valuable help with administrative and office tasks by one volunteer gaining temporary work experience or helping with one off tasks (2021 - 1). No individuals helped us out on a voluntary basis with fundraising events organised either directly through PET or via our South London supporters' group (2021 - 0). A number of professional and academic experts contributed their advice and expertise to our project and research work on a pro bono basis; and our Patrons and trustees gave their time most generously and free of charge to act as ambassadors for PET and to provide robust and effective governance.

15. LIMITATION OF LIABILITY

Prisoners' Education Trust is a charitable company limited by guarantee. Liability is limited to £10 per member. As at 31 December 2022, there were 14 members (2021: 10).