

Halow (Birmingham)
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2018

BSN ASSOCIATES LIMITED

Chartered accountant
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Halow (Birmingham)

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2018

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Halow (Birmingham)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2018

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2018.

Reference and administrative details

Registered charity name	Halow (Birmingham)
Charity registration number	1150445
Company registration number	08248116
Principal office and registered office	St Martin's Youth & Community Centre Gooch Street Highgate Birmingham B5 7HE

The trustees

Jane Catherine Bailey
Bridget Kathleen C Cameron, BEM
Veronica Naomi Palgrave
John Marshall (Resigned 5 July 2018)
Nirdesh Sandhu (Resigned 31 December 2017)

Company secretary Louise Spink

Independent Examiner & Accountants BSN Associates Limited
Chartered accountant
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Bankers TSB Bank
63-65 Cape Hill
Smethwick
West Midlands
B66 4SF

Structure, governance and management

HALOW (Birmingham) (Help and Advice Line for Offenders Wives, Partners and Families) is a Charitable Company, limited by guarantee. Legal and administrative details are recorded above. Its policies and operations are governed by its Memorandum and Articles and Association.

Trustee board members are appointed for a year and normally offer themselves for re-appointment on an annual basis. New members may be persons personally recommended by a trustee board member and then invited for interview by the rest of the board or the post is advertised through local or national networks and media outlets. There are procedures available for the induction and training of new board members.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

The board formally meets approximately nine times per year. The previous meeting's minutes, visitors' centre reports, HR report and a finance report are issued to members before the meeting. As well as the members, the Finance Manager attends most of the meetings. The Charity engages a Finance Manager; Louise Spink, on a part time basis and who is self-employed. Louise Spink has been appointed Company Secretary for the charitable company and, as part of this role, prepares Board Minutes.

Key members of staff include:-

Sharon Earley & Najuma Mohammed	Co-Managers, HMP Birmingham Visitors' Centre
Daniel Daly	Manager, HMP Oakwood Family Pathway Centre
Kamaria Taylor	Deputy Manager, HMP Oakwood Family Pathway Centre (left April 2017)
Robert Wild	Deputy Manager, HMP Oakwood Family Pathway Centre (from July 2017)
Ray Seafield	Manager, HMYOI Brinsford Visitors' Centre (to Sept 2017)
Wendy Littler	Deputy Manager, HMYOI Brinsford Visitors' Centre (to Sept 2017)
Valerie Ledward	Manager, HMP Stafford Visitors' Centre (to Sept 2017)
Anna Cottam	Deputy Manager, HMP Stafford Visitors' Centre (to Sept 2017)
Victoria Parker	Manager, HMP Featherstone Visitors' Centre (to Sept 2017)
Hanka Churchill	Deputy Manager, HMP Featherstone Visitors' Centre (to Sept 2017)
Sharondip Kaur	Manager, HMP & YOI Swinfen Hall Visitors' Centre (to Sept 2017)

Prison Visitors' Centres/ Family Pathway Centres are run on a day-to-day basis by the centre managers. All strategic issues, HR matters and finance are decided by the management board with the assistance of the P/T Finance Manager. A regional managers meeting is held up to three times a year. The charity employs a P/T Administrator, Debbie Johnson and a P/T Funding Manager, Judith Crabb (to October 2017); both work flexibly in a self-employed capacity. Seven managers were transferred to Barnardo's under TUPE regulations 1st October 2017 following award of a contract previously held by HALOW (Birmingham) to provide services to prisoners', families and significant others at the respective prison establishments.

Provision of Charitable Activities for the Public Benefit

HALOW (Birmingham) expends all grants and donations received on activities that are undertaken solely for the public benefit. The charity offers a range of support to prisoners', their families and significant others, provided primarily at prison visitors' centres. The charity also undertakes an annual visitors' survey and regular service user forum meetings. These enable the charity to gauge needs, assess customer satisfaction and work with prisons to respond accordingly.

Public Benefit Statement

The Trustees consider they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Objectives and activities

The Charitable Objects of HALOW (Birmingham) are:

- a) to relieve poverty, sickness and distress among prison inmates, ex-offenders and the partners and
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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

dependents of prison inmates and ex-offenders in need of such relief; and

b) to advance public education by research into domestic issues relating to prison inmates ex-offenders and their families and to disseminate the useful results of such research.

HALOW (Birmingham) provides services to prisoners', their families and significant others to help them overcome the problems faced by having a family member in custody. The purpose of the charity is to provide these services essentially on humanitarian grounds but it also strongly believes in the importance of maintaining good family ties as part of the successful rehabilitation of offenders. The charity believes these services can best be provided through the process of running Prison Visitors' Centres/ Family Pathway Centres and during the 2017/18 financial year operated six of these at:-

HMP Birmingham (Winson Green)
HMP Oakwood
HMP Stafford (to Sept. 2017)
HMP Featherstone (to Sept. 2017)
HMYOI Brinsford (to Sept. 2017)
HMYOI Swinfen Hall (to Sept. 2017)

Services provided (but not all Centres) include:-

- A welcoming reception to the visitors at the centre
- Induction for all new visitors
- Advice on visits booking and attendance procedures
- A listening ear for visitors' concerns
- A specialist Family Support Worker to assist with the prisoner/family problem-solving
- A tea bar selling freshly prepared refreshments or vending machines
- Information on visiting, transport, state benefits, debt management, housing, health issues, drugs etc. by way of leaflets, group forums and one to one customised information
- Liaison with prison resettlement units about opportunities for job training available for prisoners
- Unsupervised activities for children and young people
- Changes of clothes for children having accidents
- Baby changing facilities
- Informal book exchange library
- Christmas presents and parties for children
- Provision of children's activities for Family Days
- Provision of participative activities for extended 'Family Day' visits
- Workshops for external agencies to raise awareness of issues facing prisoners' families
- Programmes for prisoners' and partner to strengthen parenting and relationships during imprisonment

Children's Workers and Family Support Workers are employed at most visitors' centres funded primarily by Charitable Trust grants (for example, BBC Children in Need, the Esmee Fairbairn Foundation, the Roughley Trust, the Hilden Trust and the W.A. Cadbury Charitable Trust . In addition, the staff and volunteers carry out administrative tasks in accordance with HALOW (Birmingham) and prison requirements.

Chairperson's Report

During the past year HALOW (Birmingham) continued to work with HM Prison and Probation Service establishments (HMPPS) and G4S operating support services in centres. Trustee Board members (primarily the Chair and Vice Chair) meet regularly with senior prison managers to monitor service delivery and review progress.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

A three-year contract from the Ministry of Justice (MoJ) to deliver visitors' centre services at HMP Featherstone, HMP Stafford, HMYOI Brinsford (2011 – 2015) was extended to 30th September 2017 whilst a procurement exercise was undertaken. Our Service Level Agreement with HMYOI Swinfen Hall was similarly extended. In May 2017 HALOW (Birmingham) was awarded a place on the HMPPS National Framework Agreement (2017-2021) 'Provision of HMPPS Prisoner, Family and significant other support services'. This award was made after a complex and robust tendering process. This achievement means HALOW (Birmingham) is recognised by HMPPS as compliant across key areas of quality assurance, governance and financial management and hence eligible to tender for relevant services. Regrettably our subsequent tender to continue service delivery at these four prison establishments plus HMP Hewell and HMYOI Stoke Heath was unsuccessful. We requested a de-briefing meeting with HMPPS Central Procurement. Our biggest obstacle, as we had envisaged, was the financial subsidy expectation. We are a volunteer-led regional charity with limited free reserves. We presented a business model that would deliver all the services specified, delineating between those funded within the Contract Price and those we would aim to fund ourselves (e.g. through grants from Charitable Trusts or café surpluses). We have written to the Minister of State for Justice outlining our concerns about the barriers increasingly faced by smaller charities competing for public sector contracts that require untenable high-risk subsidies. We are also members of umbrella body CLINKS who are working with the Ministry of Justice on reviewing procurement and voluntary sector engagement. We thanked all our staff and volunteers, including those being transferred, with a Celebration evening 29th September 2017 at Featherstone Community Centre.

During the year we continued to deliver our existing contracts with G4S to operate the visitors' centre at HMP Birmingham and the Family Pathway Centre at HMP Oakwood; both Service Level Agreements are reviewed annually. At both Centres we employ a FTE Children's Worker and Family Support Worker funded through charitable trusts.

During 2017/18 Bridget Cameron (Vice-Chair) has continued to lead on the programme of staff training and development across all Visitors' Centres. All centres have the PQASSO quality assurance system as their quality assurance framework. Bridget has continued to provide senior management supervision as HR Lead Trustee and Safeguarding Designated Officer. We continued to hold Regional Managers' meetings during 2017/18, cascading good practice between centres and encouraging innovation. During the year Bridget continued to ensure that the Employees Handbook and Policies and Procedures are kept up-to-date in line with legislative changes. The charity also continued to implement a rolling programme of staff training, where necessary in the Foundation Food Safety course, Safeguarding, First Aid at Work and Health & Safety. The charity has continued to use a national legal/HR company for professional guidance.

The charity has worked hard this year to further diversify sources of income by, in particular, increasing grant income for charitable activities. The majority of grants contribute towards children's activities and family support work at the prison visitors' centres as contracts/SLAs do not normally include these 'value-added' enrichment activities. During 2017/18 we continued to receive significant support from the Esmee Fairbairn Foundation, BBC Children in Need, the W.A. Cadbury Charitable Trust, Wolves Aid, the Hilden Charitable Trust plus 10 further Charitable Trust donations for our work.

We are extremely grateful for this support as it means we have been able to increase the level of support available to prisoners' families this year. We are also grateful to Water Orton Methodist Church for contributions of items for our community fundraising, St Martin's in Solihull for children's Christmas gifts at HMP Birmingham and Penkridge Methodist Church who regularly support HMP Oakwood Family Pathway Centre with volunteers, fundraising and donations of children's work resources.

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Year ended 31 March 2018

Staff and volunteers have continued to work collaboratively with prisons to assist with new initiatives to further strengthen family ties (for example, extended 'Family Day' visits across most establishments). At most of our visitors' centres we provide refreshment bars and all income is used to support our charitable activities.

During the twelve month period April 2017 – March 2018 our staff and volunteers provided administrative and other support to 146,147 visitors; these included 26,298 children (18% of the total). From 1 October 2017 services focused solely on HMP Birmingham and HMP Oakwood. Taken together, our staff supported 111,903 visitors at these two establishments including 21,098 children (76.5% of the total) where visits are held seven days a week and three evenings. We are immensely grateful to our staff and volunteer teams for their dedication and hard work during the year.

Achievements and performance

See Chairpersons' Report and Finance Review.

Impact - Making a Difference: We conduct an Annual 'Customer Satisfaction' Survey, continuously engage with our service users informally and adapt delivery to address any unmet needs where this is possible within the prison environment, The friendliness, helpfulness and quality of service provided by our staff and volunteers were rated as 'excellent' by some 95% of visitors in the HALOW (Birmingham) 2016 Survey. Comments made by prisoners families include:

"Would like to say that on our first visit the gentleman that spoke to us to explain the process made us feel at ease and was extremely considerate and very helpful and has been on every visit —thank you"

"My daughter loves the family days. I love to spend as much time as possible and love to see my partner and daughter playing"

"Support for people as you come out of a visit alone and distressed — thank you"

Our Children's Workers provide activities before and during prison visits valued by the whole family:

"I like coming here when we do arts and crafts like this can you do it again next time"

"Its not as bad as I thought it was going to be, thought it was going to be dark and gloomy but it's not. The play area is okay to play in."

We often never know the impact of a quiet word from one of our staff after a stressful visit. Prisoners families and significant others tell us how much they value the support our teams of experienced staff and trained volunteers provide. These brief conversations can have an impact. Instead of going home worried and anxious, the family member has been listened to and his/her concerns alleviated. We continued to document Case Studies to evidence the impact of the support given to prisoners and their families over time.

Community Engagement and Rehabilitation: The social enterprise agency iSE were funded by CLINKS to prepare a business plan for an innovative new project. Working with European Textile Recycling (ETR) Ltd and HMP Oakwood, our 'Cash4Clothes' franchise launched in September 2017. This project aims to generate much needed 'unrestricted' income for the charity; reduce landfill through textile recycling and provide work experience opportunities for 'Released on Temporary Licence' (ROTL) prisoners and other volunteering. During the pilot phase we generated £1,315 income but soon identified challenges in relation to location and placed the project on hold in April

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Year ended 31 March 2018

2018. Funding secured from Lloyds Bank Foundation ENABLE programme (September 2018) means iSE can support further development of the enterprise during 2019.

Contribution to Government Policy: We continued as an active member of CLINKS, contributing to national research and attending Ministry of Justice Round Table events where changes to the range of services needed to strengthen family ties during imprisonment were explored.

Quality of Services: Following procurement the Charity was awarded a place on the 'Framework Agreement for the provision of HMPPS prisoner, family and significant others services as a Prime Contractor for the West Midlands prison estate cluster. This was a significant achievement for a relatively small regional charity and enables us to tender for relevant work over the coming 3-4 years.

Financial review

The income generated for 2017/18 was £570,624, This was a decrease in overall income in comparison to 2016/17 due to the loss of a Ministry of Justice (MoJ) contract from 1st October 2017 and subsequent loss of two significant tea bar income streams. However, we increased the level of services provided in the rest of our organisation and this offset some of the lost income. We continue to provide a high level of valued added posts provided by our grant awarded income which reflects 19.25% of total income. These grants consolidated enable us to continue to secure these posts moving into 2018/19. We are deeply appreciative of the continued support with large grants from Esmee Fairbairn (£36,420), BBC Children in Need (£31,446) received this year along with Hilden Trust , Wolves aid and the many smaller but invaluable grants received which collectively maintain the family and children's workers positions in our centres.

Tea bar provision as part of the welcoming front in the Visitors' Centers has always been an integral part of our services. This income was hit by the loss of the MoJ contracts and revenue fell from £242,978 to £127,951. However this was a prorata increase gained by the continued review and refinement of procedures relating to management and purchasing processes. Tea bar management is labour intensive and efficiencies continue to be reviewed. Oakwood tea bar run by HALOW (Birmingham) in the Family Pathway Centre does not extend to the Visitor Halls where the bulk of purchases are made. It is therefore on a much smaller scale but remains a priority as part of the welcome for all our visitors. These changes, although resulting in a significant reduction in unrestricted income, do allow more time to develop other areas of support inside and out for prisoners and their families.

Expenditure in 2017/18 totalled £535,163 the majority of which is staff costs at just over 76%. This increased percentage is due to pension provision increases and cost of living salary rises. Staff are essential to the delivery of the contracted services HALOW (Birmingham) provide in the Visitors'/Family Pathway Centres supporting prisoners and their families.

HALOW(Birmingham) continue to develop and encourage volunteers. In total some 6,100 hours of volunteer time has been contributed this year, an invaluable resource without which the charity would be unable to function sustainably. This includes 'in-kind' contributions to front-line services at our visitors' centres of some 3,600 hours. In addition, over 2,500 hours of voluntary management has been provided by the Board, further demonstrating that HALOW (Birmingham) is genuinely a 'volunteer-led' charity.

The restricted funds carried forward increased due to unspent grants due to the redeployment of grants and posts from MoJ to G4S Centres. Unrestricted funds increase to £125,682, making the total fund carried forward £189,141.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Reserves Policy

The total unrestricted reserves at 2018 are £125,682. We aim to hold at least three months operational costs as our minimum reserve fund and the Trustee Board have prioritised this during 2017/18 and have achieved increased unrestricted reserves and continue to monitor and maintain this over the coming years.

Going Concern

HALOW (Birmingham) Trustee Board has a reasonable expectation that the charity will be able to continue as a going concern for the twelve month period from the date of signing the 2018 Report (e.g. December 2018). We learnt early July 2017 that our HMPPS (Ministry of Justice) tender to continue and develop services provided at 4 of the 6 prison establishments had been unsuccessful with core staff subject to TUPE transfer to the new provider October 2017. Our Service Level Agreements with G4S are reviewed on an annual basis.

The Board remains vigilant in reviewing available income and adjusting expenditure to keep within our means.

Plans for future periods

HALOW (Birmingham) has over 30 years experience providing support to prisoners' families and a reputation for consistent, high quality services that we recognise is due largely to the immense dedication of our managers, support staff and volunteers. During 2017/18 staffing costs again rose (including Automatic Enrolment Pension, Minimum and Living Wage commitments, and small Cost of Living uplift). As a Board we recognise the challenge of meeting our costs but have been encouraged by the positive and generous support we have received from charitable trusts this year.

Over the past 2 years we have worked hard to stabilise our reserves despite the continuing need to draw on our own funds to bridge the gap between increasing costs and a fixed HMPPS/MoJ contract price. We are immensely proud of the excellent services provided by our staff and volunteers who transferred to a national provider 1st October 2017. We left HMYOI Brinsford, HMP Featherstone, HMP Stafford and HMYOI Swinfen Hall with sadness but also confident in the knowledge that our offer was robust but firm; we presented a coherent 'integrated' model underpinned by our experience and knowledge. We stand by our expectation that the public sector should acknowledge the principles of full cost recovery and not assume that the voluntary sector will be willing to take on untenable risks by signing under-priced contracts. During Oct 2017 – March 2018 we have worked as a Board with our Senior Managers to shape our plans for the coming 3 years that include new initiatives and working collaboratively with other organisations in the criminal justice field.

We are considering expanding our activities to include not only visitors' centres but other important aspects of the work relating to prisoners and their families, upon release. There is much work to be done to support prisoners, families and significant others in the community, with opportunities to work collaboratively. We particularly wish to develop work that can offer both aid employment and work experience to those with lived experience of the criminal justice system as their expertise has long been overlooked. We are greatly looking forward to developing new projects in this area.

Our future prospects present a challenging picture going into 2018/19; the small Board of Trustees acknowledge these challenges and the need to continuously examine and review the viability of all aspects of our work. We are grateful to be recipients of a Lloyds Bank ENABLE programme grant (Sept 2018) and will shortly begin a consultancy project that will strengthen governance (target to double Board size in 9 months), facilitate a new 3-year Strategic Plan, strengthen user consultation,

Halow (Birmingham)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

review monitoring and evaluation (Impact Report in 2019) and improve diversity of income stream with a refreshed textile recycling Business Plan .

Risks

The charity is exposed to three major areas of risk – security, health and safety, and commercial risks. All employees and volunteers in the visitors' centres (who may on occasions work within the prison boundaries) are subject to Disclosure and Barring Service (DBS) enhanced checks. They also complete the prison vetting. Employees attend Safeguarding, First Aid at Work and Food Hygiene courses.

As part of our Strategic Review process we consider in detail most of the risks we believe we face. The key ones are as follows:-

Diversity of Funding Sources – We have identified over reliance on public sector contracts as a potential risk as contracts are time bound and subject to regular tendering. To help mitigate risk we have increased our efforts to approach charitable trusts for grant aid and made more contacts with local employers to expand our potential pool of Board members and also to maximise the benefits offered through Corporate Social Responsibility (CSR).

Key Employees and Trustees – We remain very dependent on certain members of our Trustees team for regular management procedures and would find these very difficult to replace in the short term. To counter risk we take active steps to increase the number of our trustees, including advertisement locally, regionally and nationally. Our Lloyds Bank Foundation 'ENABLE' programme grant will increase our capacity to achieve a larger Board during 2018/19.

Legal Risk – Employment and work place legislation has expanded considerably over recent years. It is challenging for charity trustees in the sector to keep up to date with such changes on a part time voluntary basis. We thus take out an annual contract for employment legislative advice and legal cover from a leading national business services provider. This provides us with independent advice on both employment and health and safety matters.

Statement of Trustees Responsibilities

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year which comply with the regulations made under that Act.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at anytime the financial position of the Charity. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report and the strategic report were approved on 5 December 2018 and signed on behalf of the board of trustees by:

Jane Catherine Bailey
Trustee

Halow (Birmingham)

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Halow (Birmingham)

Year ended 31 March 2018

I report to the trustees on my examination of the financial statements of Halow (Birmingham) ('the charity') for the year ended 31 March 2018.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Halow (Birmingham) *(continued)*

Year ended 31 March 2018

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Hannah Justice ACA FCCA
Independent Examiner
On behalf of BSN Associates Limited

3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

5 December 2018

Halow (Birmingham)

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 March 2018

		Unrestricted funds £	2018 Restricted funds £	Total funds £	2017 Total funds £
Income from	Note				
Donations and grants	5	313	91,761	92,074	95,433
Charitable activities	6	478,231	–	478,231	641,958
Investment income	7	319	–	319	384
Total income		<u>478,863</u>	<u>91,761</u>	<u>570,624</u>	<u>737,775</u>
Expenditure					
Expenditure on					
Charitable activities	8	466,629	68,534	535,163	710,441
Total expenditure		<u>466,629</u>	<u>68,534</u>	<u>535,163</u>	<u>710,441</u>
Net income and net movement in funds		<u>12,234</u>	<u>23,227</u>	<u>35,461</u>	<u>27,334</u>
Reconciliation of funds					
Total funds brought forward		113,448	40,232	153,680	126,346
Total funds carried forward		<u>125,682</u>	<u>63,459</u>	<u>189,141</u>	<u>153,680</u>

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

The notes on pages 14 to 23 form part of these financial statements.

Halow (Birmingham)
Company Limited by Guarantee
Statement of Financial Position
31 March 2018

		2018	2017
		£	£
Fixed assets			
Tangible fixed assets	13	592	719
Current assets			
Debtors	14	81,211	62,616
Investments	15	20,889	20,570
Cash at bank and in hand		101,959	99,538
		<u>204,059</u>	<u>182,724</u>
Creditors: amounts falling due within one year	16	<u>15,510</u>	<u>29,763</u>
Net current assets		<u>188,549</u>	<u>152,961</u>
Total assets less current liabilities		<u>189,141</u>	<u>153,680</u>
Funds of the charity			
Restricted funds		63,459	40,232
Unrestricted funds		125,682	113,448
Total charity funds	18	<u>189,141</u>	<u>153,680</u>

For the year ending 31 March 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 5 December 2018, and are signed on behalf of the board by:

Jane Catherine Bailey
Trustee

Bridget Kathleen C Cameron, BEM
Trustee

The notes on pages 14 to 23 form part of these financial statements.

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Statement of Cash Flows

Year ended 31 March 2018

	2018 £	2017 £
Cash flows from operating activities		
Net income	35,461	27,334
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	158	165
Other interest receivable and similar income	(319)	(384)
Loss on disposal of tangible fixed assets	718	–
<i>Changes in:</i>		
Trade and other debtors	(18,595)	(38,444)
Trade and other creditors	(14,252)	4,470
Cash generated from operations	<u>3,171</u>	<u>(6,859)</u>
Interest received	<u>319</u>	<u>384</u>
Net cash from/(used in) operating activities	<u><u>3,490</u></u>	<u><u>(6,475)</u></u>
Cash flows from investing activities		
Purchase of tangible assets	(750)	(499)
Purchases of other investments	(319)	(384)
Net cash used in investing activities	<u><u>(1,069)</u></u>	<u><u>(883)</u></u>
Net increase/(decrease) in cash and cash equivalents	2,421	(7,358)
Cash and cash equivalents at beginning of year	99,538	106,896
Cash and cash equivalents at end of year	<u><u>101,959</u></u>	<u><u>99,538</u></u>

The notes on pages 14 to 23 form part of these financial statements.

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Notes to the Financial Statements

Year ended 31 March 2018

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is St Martin's Youth & Community Centre, Gooch Street, Highgate, Birmingham, B5 7HE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

The Charity is exempt from taxation on income and gains on investments.

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Fund accounting

In order to differentiate the availability of funds they are categorised according to the following definitions:

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and include designated funds which represent amounts set aside for specific purposes.

Restricted funds are subjected to restrictions on expenditure imposed by the donor.

Incoming resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured accurately.

Voluntary income is recognised as above except where the income is subject to conditions that require a level of performance before the charity is entitled to the funds, when the income is deferred and not recognised until either those conditions are met, or the fulfillment of those conditions is wholly within the control of the Charity and it is probable those conditions will be fulfilled in the reporting period.

Grants specifically for the provision of services to be provided as part of the charitable activities or services to beneficiaries are accounted for on the basis of amounts receivable for the year.

Interest arising on cash balances is included when receivable and the amount can be measured reliably by the Charity. This is normally upon notification of the interest paid or payable by the bank.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement is required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on the accruals basis, inclusive of any value added tax which cannot be recovered.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office Equipment	-	15% - 33% reducing balance
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Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises

Investments

Current asset investments comprise of fixed cash deposit funds which are held at market value with all gains taken to the Statement of Financial Activities as they arise.

4. Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and grants

	Unrestricted Funds £	Restricted Fund £	Total Funds 2018 £
C & A Taylor Trust	-	2,000	2,000
BBC Children in Need	-	33,268	33,268
Esmee Fairbairn Foundation	-	30,000	30,000
Hilden Charitable Trust	-	5,000	5,000
W A Cadbury Charitable Trust	-	11,000	11,000
Cash for Clothes	-	1,315	1,315
James Beattie Charitable Trust	-	2,000	2,000
Baron Davenport's Charity	-	1,000	1,000
Wolves Aid (Wolves Charitable Trust)	-	3,178	3,178
Pauline Meredith Trust	-	500	500
Roughley Trust	-	2,500	2,500
Smaller Grants	313	-	313
	<u>313</u>	<u>91,761</u>	<u>92,074</u>

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

5. Donations and grants *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Austin and Hope Pilkington Trust	-	1,000	1,000
Aylesford Family Trust	-	500	500
C & A Taylor Trust	-	2,000	2,000
BBC Children in Need	-	31,486	31,486
The Cole Charitable Trust	-	750	750
Edgar Lawley Charitable Trust	-	1,500	1,500
Esmee Fairbairn Foundation	-	36,420	36,420
Eveson Charitable Trust	-	3,000	3,000
George Henry Collins Charity	-	500	500
Hilden Charitable Trust	-	5,500	5,500
Leigh Trust	-	1,000	1,000
Peter Storrs Trust	-	2,000	2,000
Sainsbury Trust	-	2,000	2,000
The Norton Foundation	-	1,400	1,400
Wolves Aid (Wolves Charitable Trust)	-	6,357	6,357
Smaller Grants	20	-	20
	<u>20</u>	<u>95,413</u>	<u>95,433</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Visitor's centres service contracts	350,280	350,280	398,980	398,980
Visitors' centres tea bars	127,951	127,951	242,978	242,978
	<u>478,231</u>	<u>478,231</u>	<u>641,958</u>	<u>641,958</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Bank interest receivable	<u>319</u>	<u>319</u>	<u>384</u>	<u>384</u>

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

8. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Staff and related costs	364,281	46,728	411,009
Rent and rates	2,400	–	2,400
Stationery and office expenses	1,868	1,372	3,240
Insurance	895	68	963
Training and conferences	615	460	1,075
Independent examination	2,220	–	2,220
Telephone and internet	950	–	950
Christmas and other activities	–	4,462	4,462
Depreciation	158	–	158
Provisions	73,201	–	73,201
Volunteers expenses	642	3,576	4,218
Trustees expenses	2,636	–	2,636
Miscellaneous	9,511	11,868	21,379
Bank charges	1,477	–	1,477
Cash difference written off	5,057	–	5,057
Loss on disposal of tangible fixed assets	718	–	718
	<u>466,629</u>	<u>68,534</u>	<u>535,163</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Staff and related costs	409,600	107,447	517,047
Rent and rates	2,400	–	2,400
Stationery and office expenses	2,823	7,498	10,321
Insurance	1,079	–	1,079
Training and conferences	157	1,603	1,760
Independent examination	2,530	–	2,530
Telephone and internet	1,155	–	1,155
Christmas and other activities	–	6,125	6,125
Depreciation	165	–	165
Provisions	141,474	281	141,755
Volunteers expenses	1,587	4,281	5,868
Trustees expenses	4,251	–	4,251
Miscellaneous	3,484	10,340	13,824
Bank charges	2,161	–	2,161
	<u>572,866</u>	<u>137,575</u>	<u>710,441</u>

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

8. Charitable activities *(continued)*

A breakdown of the unrestricted fund expenditure by activity can be seen below:

	Tea Bars	Visitors Centre	Governance	Total unrestricted fund expenditure 2018
	£	£	£	£
Staff and related costs	-	342,366	21,915	364,281
Rent and rates	-	2,400	-	2,400
Stationery and office expenses	-	1,868	-	1,868
Insurance	-	895	-	895
Training and conferences	-	615	-	615
Independent examination	-	-	2,220	2,220
Telephone and internet	-	950	-	950
Depreciation	-	158	-	158
Provisions	73,201	-	-	73,201
Volunteers expenses	-	642	-	642
Trustees expenses	-	-	2,636	2,636
Miscellaneous	-	6,277	3,234	9,511
Bank charges	-	-	1,477	1,477
Cash difference written off	5,057	-	-	5,057
Loss on disposal of tangible assets	-	718	-	718
	<u>78,258</u>	<u>356,889</u>	<u>31,482</u>	<u>466,629</u>

	Tea Bars	Visitors Centre	Governance	Total unrestricted fund expenditure 2017
	£	£	£	£
Staff and related costs	-	385,971	23,629	409,600
Rent and rates	-	2,400	-	2,400
Stationery and office expenses	-	2,823	-	2,823
Insurance	-	1,079	-	1,079
Training and conferences	-	157	-	157
Independent examination	-	-	2,530	2,530
Telephone and internet	-	1,155	-	1,155
Depreciation	-	165	-	165
Provisions	141,474	-	-	141,474
Volunteers expenses	-	1,587	-	1,587
Trustees expenses	-	-	4,251	4,251
Miscellaneous	-	2,146	1,338	3,484
Bank charges	-	-	2,161	2,161
	<u>141,474</u>	<u>397,483</u>	<u>33,909</u>	<u>572,866</u>

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

9. Net income

Net income is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	158	165
Loss on disposal of tangible fixed assets	718	–
Operating lease rental	2,400	2,400
	<u> </u>	<u> </u>

10. Independent examination fees

	2018	2017
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	670	670
Other financial services	1,550	1,806
	<u> </u>	<u> </u>
	<u>2,220</u>	<u>2,476</u>

11. Staff costs

Staff costs were analysed as follows:

	2018	2017
	£	£
Wages and salaries	385,523	483,750
Social security costs	17,660	20,690
Pension contributions	7,826	12,607
	<u> </u>	<u> </u>
	<u>411,009</u>	<u>517,047</u>

The average head count of employees during the year was 31 (2017: 25).

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

12. Trustee remuneration and expenses

The Trustees all give freely their time and expertise without any form of remuneration or other benefit. Four Trustees (2017: Three) received travel expenses during the year amounting to £2,636 (2017: £4,251).

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

13. Tangible fixed assets

	Equipment £
Cost	
At 1 April 2017	6,193
Additions	750
Disposals	(6,193)
At 31 March 2018	<u>750</u>
Depreciation	
At 1 April 2017	5,474
Charge for the year	158
Disposals	(5,474)
At 31 March 2018	<u>158</u>
Carrying amount At 31 March 2018	<u>592</u>
At 31 March 2017	<u>719</u>

14. Debtors

	2018 £	2017 £
Trade debtors	80,803	62,210
Prepayments and accrued income	408	406
	<u>81,211</u>	<u>62,616</u>

15. Investments

	2018 £	2017 £
Other investments	<u>20,889</u>	<u>20,570</u>

Other investments relate to a bank fixed term bond.

16. Creditors: amounts falling due within one year

	2018 £	2017 £
Social security and other taxes	4,403	6,021
Other creditors	11,107	23,742
	<u>15,510</u>	<u>29,763</u>

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

17. Analysis of charitable funds

Restricted funds

	Opening balances	Incoming resources	Outgoing resources	Closing balances
	£	£	£	£
C & A Taylor Charitable Trust	4,000	2,000	(6,000)	-
BBC Children in Need	1,265	33,268	(22,835)	11,698
Esmee Fairbairn Foundation	20,000	30,000	(18,473)	31,527
Evan Cornish Foundation	2,625	-	(2,625)	-
Hilden Charitable Trust	5,500	5,000	(3,560)	6,940
Swan Mountain Trust	1,000	-	(1,000)	-
W A Cadbury Charitable Trust	2,068	11,000	(3,068)	10,000
Wolves Aid	2,774	3,178	(5,158)	794
Cash for Clothes	-	1,315	(1,315)	-
James Beattie Charitable Trust	-	2,000	(2,000)	-
Baron Davenport's Charity	-	1,000	(1,000)	-
Pauline Meredith Charitable Trust	-	500	(500)	-
Roughley Trust	-	2,500	-	2,500
Small Donations	1,000	-	(1,000)	-
	<u>40,232</u>	<u>91,761</u>	<u>(68,534)</u>	<u>63,459</u>

The restricted funds comprise of the following donations and grants held on trust to be applied for specific purposes as follows:

Connie & Albert Taylor Charitable Trust funding for children and family sessions at HMP Oakwood.

BBC Children in Need - funding for 3 P/T children's workers (HMP Oakwood, HMP Featherstone and HMYOI Brinsford) to provide help and support for disadvantaged children and young people.

Esmee Fairbairn Foundation to meet the cost of salaries of family support workers to provide more intensive help to families of those imprisoned at HMP Birmingham and HMYO1 Brinsford.

Evan Cornish Foundation towards a children's worker at HMP Stafford to provide activities for children and young people throughout the year when visiting.

The Hilden Charitable Fund for a family support assistant at HMP Stafford to help and support families with the impact of a loved one imprisoned.

Swan Mountain Trust towards the cost of children's worker at HMP Oakwood where over 5,000 children visit the prison.

W A Cadbury Charitable Trust for support for children visiting fathers at HMP Oakwood.

Wolves Aid (Wolves Community Trust) towards travel costs of volunteers at HMP Featherstone.

Halow (Birmingham)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

17. Analysis of charitable funds *(continued)*

The James Beattle Charitable Trust towards a P/T children's worker at HMP Oakwood.

Baron Davenport's Charity towards a P/T children's worker at HMP Oakwood to support children's activities whilst on prison visits.

Pauline Meredith Charitable Trust towards supporting prisoners children at HMP Birmingham.

Roughley Trust for support for children and families visiting fathers at HMP Birmingham.

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Tangible fixed assets	592	–	592	719
Net assets	<u>125,090</u>	<u>63,459</u>	<u>188,549</u>	<u>152,961</u>
	<u>125,682</u>	<u>63,459</u>	<u>189,141</u>	<u>153,680</u>

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than 1 year	<u>2,400</u>	<u>2,400</u>

20. Related parties

No trustee or other person connected with the charity had any personal interest in any contract or transaction entered into by the Charity during the year. The Trustees are not aware of any related party transactions requiring disclosure.