

Charity registration number: 1178336

# Inside Justice

(A charitable incorporated organisation)

Annual Report and Financial Statements

for the Year Ended 31 May 2021

McKellens Limited  
McKellens  
11 Riverview  
The Embankment Business Park  
Vale Road  
Heaton Mersey  
Stockport  
SK4 3GN

## **Inside Justice**

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## **Inside Justice**

### **Reference and Administrative Details**

#### **Trustees**

J Battley CFE CIRM

Dr A Priston OBE

M Chadwick

T Alexander

T Conti

#### **Senior Management Team**

M Lister, CEO (from January 2021)

L Shorter, CEO (to January 2021)

D Allain, Head of Casework

#### **Principal Office**

One Business Village

West Dock Street

Kingston upon Hull

East Yorkshire

HU3 4HH

#### **Registered Office**

Botley Mills

Botley

Southampton

SO30 2GB

#### **Charity Registration Number**

1178336

#### **Bankers**

Santander UK

Bridle Road

Bootle

Merseyside

L30 4GB

#### **Independent Examiner**

Paul Roper

McKellens

11 Riverview

The Embankment Business Park

Vale Road

Heaton Mersey

Stockport

SK4 3GN

## Inside Justice

### Trustees' Report

The Trustees present the annual report together with the financial statements of the charitable company for the year ended 31 May 2021.

#### **How *Inside Justice* makes a difference**

We believe that everybody deserves justice. We care about people who have a strong claim that they are innocent because we have seen lives destroyed by miscarriages of justice: the life of a wrongly convicted person in jail and the lives of their family, as well as of other victims because a dangerous offender is still at large.

Barri White was wrongly jailed for the brutal assault and murder of his girlfriend. He spent six years in prison before *Inside Justice* founder Louise Shorter gave him a chance, when Barri felt all was lost. At that time it was her BBC Rough Justice investigative team that led directly to new evidence resulting in Barri's release.

Louise went on to form *Inside Justice* with a small investigative team and a unique expert Advisory Panel of lawyers, investigators and scientists who work *pro bono* to give other forgotten prisoners a chance. It was one *Inside Justice* scientist, Tracy Alexander, who found key forensic evidence in the Barri White case that later helped police find the real killer. *Inside Justice's* actions have almost certainly saved many more victims.

Whilst Barri is now free, for others the nightmare continues and there is virtually no Legal Aid funding for them. The number applying to us has doubled in two years to over 650. Our charity relies solely on charitable support and Covid has affected our income.

That's why the *Inside Justice* team needs new support. It could help overturn a wrongful conviction for someone else like Barri.

*Inside Justice* also wants a better criminal justice system. It is for this reason that we make policy and practice recommendations to tackle systemic failings that can bring justice for many others. For example, we seek improved nationwide police evidence storage practices - our research shows that 77% of police officers have experienced an investigation where they have been unable to locate some evidence because it is missing or damaged.

#### **Objectives and activities**

##### ***Objects and aims***

*Inside Justice* began in 2010 as a division of the not-for-profit newspaper Inside Time. By 2017, *Inside Justice* had established robust internal work systems and grown sufficiently in size and ambition to warrant independent, registered charity status so that wider funding could be sought. This was achieved in 2018 when *Inside Justice* registered as a Charitable Incorporated Organisation with its own Board of Trustees, whilst maintaining links with those who initially helped identify that there was a dire need for our work.

The objects of *Inside Justice* as set out in its governing document, its Constitution, are to promote the sound administration of the law for the public benefit by:

- Providing advice and expert scientific and legal support to prisoners who might have unsafe convictions;
- Making submissions and assisting others in making submissions to the Criminal Cases Review Commission in cases of alleged miscarriage of justice;
- Encouraging good practice in the retention of evidence, in collaboration with relevant public bodies;
- Educating students and other stakeholders with regards investigation of crime and miscarriages of justice.

## **Inside Justice**

### **Trustees' Report**

#### ***Objectives, strategies and activities***

In order to attempt to address the multiple needs of prisoners and families with a case for wrongful conviction, and in the face of a complex, unfunded and often resistant criminal justice appeal system, *Inside Justice* now focuses on three fronts:

- i. Tackling miscarriages of justice by directly supporting the prisoner and family.
- ii. Sharing our experience, evidence and data for 'whole system' changes such that the criminal justice system is better for all, and not just those who turn to us.
- iii. Supporting the prisoner and family even if we cannot take their case forward. Life in prison is utterly desperate under Covid and the indications are that the inhumanely long hours confined to a cell are likely to continue post Covid. Families also feel cut off and desperate so we know how valuable this emotional and practical support can be. As the mother of one prisoner said: "Just having someone to listen and take time to go through the details means more than you realise and I am grateful for that opportunity. May I say thank you again for the help and advice you have already given, this has helped in so many ways that I cannot put into words."

*Inside Justice* has created a unique Advisory Panel of *pro bono* experts from the fields of forensic science, law, policing and investigations. This strong, rich panel of experts provides a unique resource for the entire criminal justice system and particularly for those in prison who claim innocence. The panel meets quarterly, discussing cases which have been advanced to a full review, bringing a holistic expert review of cases where it is claimed an innocent person has been imprisoned. In addition, sub-groups of the panel meet frequently throughout the year and panel members plus other professionals provide hundreds of hours of *pro bono* new scientific reviews, expert opinion, legal analysis and representation. Full details can be found on our website at [www.insidejustice.co.uk](http://www.insidejustice.co.uk).

#### **Our Impact in 2020-21**

- More prisoners and their families are turning to us than ever before – we received 656 applications last year, a 60% increase on the previous year;
- Two of our cases were successfully referred to the full Court of Appeal with *Inside Justice* providing *pro bono* legal representation throughout. In one, the murder conviction was quashed. In the second, a long-standing case was referred back to the Court of Appeal by the CCRC after ten year's deliberation;
- In another case the appeal was lost but our fight continued with the commission of two new psychologists' reports resulting in a hitherto undiagnosed condition which will help the prisoner receive the medical care he needs and support an application to the CCRC to refer the case back to the Court of Appeal;
- Our *pro bono* expert panel provided extensive free support, including legal and forensic work that is critical for the cases we take on;
- Our small staff team has undertaken investigations and casework within the constraints of Covid in order to take forward cases by finding new witnesses and lines of enquiry or identifying how best to navigate the criminal appeals system;

## **Inside Justice**

### **Trustees' Report**

- Every prisoner or family who turns to us receives a rapid assessment of their case and many have a more thorough investigation or assessment. To those we turn down, we give advice and support including information on the appeal system and sign-posting to other support organisations;
- We have contributed to improvements to the criminal justice system in two areas:
  - Our extensive experience has highlighted the appalling loss or destruction of material post-conviction. This, given the huge scientific advances now available, denies prisoners the opportunity to prove their innocence and inhibits the Court of Appeal from performing its function. Watch our short video: <https://www.insidejustice.co.uk/campaigns/video-what-happens-when-evidence-isn-t-kept/216>
  - The National Police Chiefs' Council has agreed to issue new information to all police forces on the disclosure of evidence - often unacceptably withheld against the interests of justice. We have reached the end of our funding for the Evidence Retention Protocol project, gathering data and testimony on how often evidence is lost, destroyed or withheld and raising awareness amongst police forces of their statutory obligations to retain evidence, in order to facilitate appeals against wrongful conviction and cold-case reviews of unsolved cases;
- The All-Party Parliamentary Group on Miscarriages of Justice established a Westminster Commission on Miscarriages of Justice which published its report in 2021. The report made a series of recommendations very much in line with our own. However, the Commission and APPG recommendations have in many cases been ignored. Consequently we now seek further funding to continue this work and bring about permanent systemic change for the better;
- We continue to seek endorsement of our "Nunn Protocol" — a document designed to end the practice of police forces routinely refusing to release material post-conviction for the purpose of an appeal to anyone other than the CCRC. Having already secured the endorsement of the CCRC, we were disappointed to be told by the National Disclosure Improvement Plan board, chaired by the Director of Public Prosecutions, Max Hill QC, that such a protocol was unnecessary as guidelines are already in place. This opinion does not reflect our experience;
- We continue to educate students and other stakeholders with regards to investigation of crime and miscarriages of justice. The BBC TV series Conviction, documenting our work, is available on iPlayer;
- We work closely with three university Innocence Projects and continue to educate students on the causes and remedies of wrongful convictions. We now have a fourth university partner and have presented workshops in several other universities. We hope to harness the power of more student bodies in the medium term;
- We have made use of many influential platforms to broadcast our concerns, including: CCRC Stakeholder Forum; Forensic Science Regulator's Annual Conference (attended by 1,600 senior police staff, scientists and policy makers); Bar Council and Law Society Justice Week seminar; and King's College, London Forensic Science faculty;
- We have had several academic and professional articles published in order to raise awareness of the issue and to disseminate our findings, including 'Police Professional', 'Policing Insight', The Bar Council and Law Society Justice Week, 'International Journal of Police Science and Management' and 'Medicine Science and the Law';
- We have also had reports and articles published in national media including The Times and the Sunday Telegraph;
- We reached more people than the year before through our social media activities: Between June 2020 and May 2021 we had 422,000 Twitter impressions (i.e. the number of times our tweets were seen), 123,000 profile visits (the number of unique Twitter users who visited IJ tweets), 460 mentions and 4,340 followers (an increase of 618). Our website had 11,800 visits.

## **Inside Justice**

### **Trustees' Report**

#### ***Public benefit***

We have promoted the sound administration of the law for the public benefit by:

- Providing advice and expert, investigative, scientific and legal support to prisoners from our staff casework team and from members of our specialist Advisory Panel who work entirely *pro bono* on the cases of our applicants – people serving long prison sentences for crimes they say they did not commit. The Advisory Panel boasts sixteen members across a range of disciplines including the law (one retired Circuit Judge, three silks, four junior barristers and a solicitor), forensic science (including cold case specialists, DNA, blood pattern analysis, fibre evidence, CCTV and cell site evidence), and former police staff (senior New Scotland Yard detectives, a policing oversight specialist, a police cold case specialist and an Intelligence Manager);
- Making a number of submissions and assisting others in making submissions to the Criminal Cases Review Commission (CCRC) and Court of Appeal Criminal Division (CACD) in cases of alleged miscarriage of justice;
- Encouraging good practice in the retention of evidence, in collaboration with relevant public bodies through working with the National Police Chiefs' Council, the CCRC, and drawing on research undertaken jointly with Northumbria University;
- Educating students and other stakeholders with regard to the investigation of crime and miscarriages of justice through links with a number of bodies, including four universities, the Bar Council, and the All-Party Parliamentary Group on Miscarriages of Justice.

Trustees have acted in accordance with the guidance issued by the Charity Commission relating to public benefit.

#### ***Use of volunteers***

Various experts provide their time free of charge on *Inside Justice* cases. The value of this freely given expertise is unquantifiable.

#### **Financial review**

*Inside Justice* maintained expenditure at a similar level to the previous year at £158,891 (2019-20: £161,510) despite a fall in income to £113,724 (2019-20: £156,446). The income reduction resulted from a challenging fundraising environment, partly as result of the impact of Covid. However, the Trustees were able to invest from the strong reserve levels and cover the deficit of £45,167 in order to ensure that the charity was able to respond to the rising numbers of prisoners and their families turning to us for support. Reserves stood at £112,341 at the year end.

The Trustees would like to thank all those who have supported the charity in the year, whether through donated expertise and time, or as a funder small or large. Without this support the charity could not undertake its work for those prisoners who have a strong case for a wrongful conviction and for their families.

#### ***Reserves policy***

The Trustees have a policy to hold reserves equivalent to three months' running costs. This equates to £47,000 based on the 2021-22 budgeted expenditure. However, due to the nature of the funding received by the charity, which is generally received as lump sums from trusts and foundations, it is recognised that there will be times when the reserves are significantly higher than the three months running costs specified. This is essential for the charity to achieve its objectives.

## **Inside Justice**

### **Trustees' Report**

#### **Structure, governance and management**

##### ***Nature of governing document***

The charity is controlled by its Constitution, as a Charitable Incorporated Organisation, which was signed on 4th May 2018.

In terms of regulatory and compulsory compliance, we are registered with the Information Commissioner's Office and all of our staff have undergone GDPR Data Protection Act training and certification. Third Party Data agreements have been signed by all relevant parties that we work with.

In terms of employee, public and professional liability indemnity, we have the appropriate level of insurance cover in place.

##### ***Recruitment and appointment of Trustees***

Trustees were appointed who were already known to the organisation following their involvement as members of the Advisory Panel of Inside Justice for some years and represent senior figures from the disciplines of forensic science, policing and the arts, and a qualified accountant. New Trustees will be appointed to meet skills gaps from candidates identified from openly advertised vacancies, and following recommendations from those known to the charity in the first instance, or appropriate advertising as necessary.

##### ***Induction and training of Trustees***

New Trustees are sent the Charity Commission 'guidebook', the Constitution, the most recent CEO report to Trustees and the Annual Report. They are asked to attend the regular Advisory Panel meetings where casework is discussed in detail and invited to key strategy meetings to better understand how the charity fulfils its objectives. An induction includes briefing sessions from the Chair regarding the obligation of the Trustees and how the Board operates, an overview of finances from the Financial Trustee and briefings from the CEO and staff team.

##### ***Organisational structure***

*Inside Justice* has a Board of five members who meet at least four times annually and are responsible for the strategic direction and policy of the charity. Day to day responsibility for the charity rests with the Chief Executive Officer who is supported by a small team, currently of 3.5 FTE.

## Inside Justice

### Trustees' Report

#### *Major risks and management of those risks*

##### *Risk Management*

The Trustees review risk at least quarterly at Trustee meetings, with action plans put in place to mitigate major risks. This is supplemented with a monthly report submitted to the Trustees from the CEO. Currently the only major risk is reduced income and the Trustees have approved a fundraising strategy and action plan to increase funding, with a contingency to draw further on reserves if needed as the current level of resources is in excess of the reserves policy. A further measure to reduce expenditure will be considered if necessary but with the first priority being not to reduce the support for prisoners and their families.

##### *Safeguarding*

The Trustees are mindful of the importance of safeguarding with regard to vulnerable adults among the significant number of prisoners who turn to *Inside Justice* for support, and with regard to staff in their work. The Trustees have reviewed and updated the safeguarding policy in 2021. Considerable expertise exists among the Trustees and staff in safeguarding and in-house guidance is offered to other staff and Trustees.

The annual report was approved by the Trustees of the charity on 29 Sep 21 and signed on its behalf by:

  
.....  
J Battley CFB CIRM  
Trustee

## Inside Justice

### Statement of Trustees' Responsibilities

The Trustees (who are also the directors of *Inside Justice* for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 business.

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

Approved by the Trustees of the charity on 29.5.21 and signed on its behalf by:



M Chadwick  
Trustee

## Inside Justice

### Independent Examiner's Report to the trustees of Inside Justice

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 May 2021 which are set out on pages 10 to 19.

#### Respective responsibilities of Trustees and examiner

As the charity's Trustees of Inside Justice (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

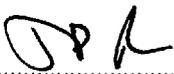
Having satisfied myself that the accounts of Inside Justice are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 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

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 Inside Justice as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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)].

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.



.....  
Paul Roper  
McKellens  
Chartered Accountants  
11 Riverview  
The Embankment Business Park  
Vale Road  
Heaton Mersey  
Stockport  
SK4 3GN

28 October 2021

## Inside Justice

### Statement of Financial Activities for the Year Ended 31 May 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	75,021	32,500	107,521
Other trading activities	4	6,000	-	6,000
Investment income	5	203	-	203
<b>Total income</b>		<b>81,224</b>	<b>32,500</b>	<b>113,724</b>
<b>Expenditure on:</b>				
Raising funds	6	(100)	-	(100)
Charitable activities	7	(97,452)	(47,500)	(144,952)
Other expenditure	8	(13,839)	-	(13,839)
<b>Total expenditure</b>		<b>(111,391)</b>	<b>(47,500)</b>	<b>(158,891)</b>
<b>Net expenditure</b>		<b>(30,167)</b>	<b>(15,000)</b>	<b>(45,167)</b>
<b>Net movement in funds</b>		<b>(30,167)</b>	<b>(15,000)</b>	<b>(45,167)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward		142,508	15,000	157,508
Total funds carried forward	16	112,341	-	112,341
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	94,520	55,000	149,520
Other trading activities	4	6,000	-	6,000
Investment income	5	926	-	926
<b>Total income</b>		<b>101,446</b>	<b>55,000</b>	<b>156,446</b>
<b>Expenditure on:</b>				
Raising funds	6	(11,315)	-	(11,315)
Charitable activities	7	(82,392)	(44,610)	(127,002)
Other expenditure	8	(23,193)	-	(23,193)
<b>Total expenditure</b>		<b>(116,900)</b>	<b>(44,610)</b>	<b>(161,510)</b>
<b>Net (expenditure)/income</b>		<b>(15,454)</b>	<b>10,390</b>	<b>(5,064)</b>
<b>Net movement in funds</b>		<b>(15,454)</b>	<b>10,390</b>	<b>(5,064)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward		157,962	4,610	162,572
Total funds carried forward	16	142,508	15,000	157,508

The notes on pages 12 to 19 form an integral part of these financial statements.

## Inside Justice

### (Charity Registration number: 1178336) Balance Sheet as at 31 May 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	13	537	15,329
Cash at bank and in hand	14	119,564	220,915
		<u>120,101</u>	<u>236,244</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(7,760)</u>	<u>(78,736)</u>
<b>Net assets</b>		<u>112,341</u>	<u>157,508</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		-	15,000
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>112,341</u>	<u>142,508</u>
<b>Total funds</b>	16	<u>112,341</u>	<u>157,508</u>

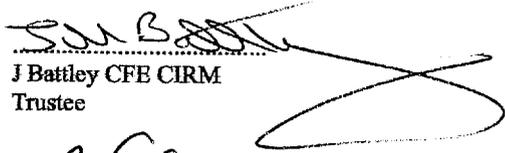
For the financial year ended 31 May 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

#### Trustees' responsibilities:

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

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

The financial statements on pages 10 to 19 were approved by the Trustees, and authorised for issue on 29 SEP 21 and signed on their behalf by:

  
.....  
J Battley CFB CIRM  
Trustee

  
.....  
M Chadwick  
Trustee

The notes on pages 12 to 19 form an integral part of these financial statements.

## **Inside Justice**

### **Notes to the Financial Statements for the Year Ended 31 May 2021**

#### **1 Charity status**

The charity is a charitable incorporated organisation.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Inside Justice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The Trustees have noted that income in the year under review was lower than in the previous year. Income and expenditure is regularly monitored by the Trustees who are actively seeking further funding and managing costs. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity has adopted Bulletin 1 published on 2 February 2016 and has therefore not included a cash flow statement in these financial statements.

##### **Income and endowments**

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### **Deferred income**

Where a donation is made explicitly to cover costs over a specified period of time, the income is matched against that timeframe.

## **Inside Justice**

### **Notes to the Financial Statements for the Year Ended 31 May 2021**

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## Inside Justice

### Notes to the Financial Statements for the Year Ended 31 May 2021

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 3 Income from donations and legacies

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Donations and legacies:				
Donations from companies, trusts and similar proceeds	50,787	32,500	83,287	102,598
Donations from individuals	24,065	-	24,065	19,983
Gift aid reclaimed	169	-	169	26,939
	<u>75,021</u>	<u>32,500</u>	<u>107,521</u>	<u>149,520</u>

## Inside Justice

### Notes to the Financial Statements for the Year Ended 31 May 2021

#### 4 Income from other trading activities

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Events income;				
Other events income	6,000	-	6,000	6,000
	6,000	-	6,000	6,000

#### 5 Investment income

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Interest receivable and similar income:				
Interest receivable on bank deposits	203	-	203	926

#### 6 Expenditure on raising funds

##### Costs of generating donations and legacies

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Donations	100	-	100	11,315

#### 7 Expenditure on charitable activities

	Note	Unrestricted		Total 2021 £	Total 2020 £
		General £	Restricted £		
Staff costs	11	93,736	39,856	133,592	112,939
Allocated support costs		2,666	7,644	10,310	13,133
Governance costs	9	1,050	-	1,050	930
		97,452	47,500	144,952	127,002

## Inside Justice

### Notes to the Financial Statements for the Year Ended 31 May 2021

#### 8 Other expenditure

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Other resources expended	13,839	-	13,839	23,193
	<u>13,839</u>	<u>-</u>	<u>13,839</u>	<u>23,193</u>

#### 9 Analysis of governance and support costs

	Governance costs		Total 2021 £	Total 2020 £
	Unrestricted General £	Restricted £		
Independent examiner fees:				
Examination of the financial statements	450	-	450	390
Other fees paid to examiners	600	-	600	540
	<u>1,050</u>	<u>-</u>	<u>1,050</u>	<u>930</u>

#### 10 Trustees' remuneration and expenses

During the year the charity made the following transactions with Trustees:

##### **J Battley**

£717 (2020: £Nil) of expenses were reimbursed to J Battley during the year.

J Battley paid costs incurred by the charity and was duly reimbursed.

## Inside Justice

### Notes to the Financial Statements for the Year Ended 31 May 2021

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	18,653	-
Other staff costs	114,939	112,939
	<u>133,592</u>	<u>112,939</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No
Management	<u>1</u>

2 (2020 - 0) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £455 (2020 - £Nil).

No employee received emoluments of more than £60,000 during the year.

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Debtors

	2021 £	2020 £
Trade debtors	-	3,000
Other debtors	537	12,329
	<u>537</u>	<u>15,329</u>

#### 14 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>119,564</u>	<u>220,915</u>

## Inside Justice

### Notes to the Financial Statements for the Year Ended 31 May 2021

#### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	4,363	7,389
Other taxation and social security	2,004	-
Other creditors	403	-
Accruals	990	930
Deferred income	-	70,417
	7,760	78,736

#### 16 Funds

	Balance at 1 June 2020 £	Incoming resources £	Resources expended £	Balance at 31 May 2021 £
<b>Unrestricted</b>				
General	142,508	81,224	(111,391)	112,341
<b>Restricted Funds</b>				
Evidence retention protocol	-	32,500	(32,500)	-
Promo film	5,000	-	(5,000)	-
Legal circuits tour	5,000	-	(5,000)	-
Podcast	5,000	-	(5,000)	-
<b>Total Restricted</b>	15,000	32,500	(47,500)	-
<b>Total funds</b>	157,508	113,724	(158,891)	112,341
	Balance at 1 June 2019 £	Incoming resources £	Resources expended £	Balance at 31 May 2020 £
<b>Unrestricted</b>				
General	157,962	101,446	(116,900)	142,508
Evidence retention protocol	4,610	40,000	(44,610)	-
Promo film	-	5,000	-	5,000
Legal circuits tour	-	5,000	-	5,000
Podcast	-	5,000	-	5,000
<b>Restricted</b>	4,610	55,000	(44,610)	15,000
<b>Total funds</b>	162,572	156,446	(161,510)	157,508

## Inside Justice

### Notes to the Financial Statements for the Year Ended 31 May 2021

The specific purposes for which the funds are to be applied are as follows:

Further detail in respect of the Evidence Retention Protocol Fund is provided on page 4 of the Trustees' Report.

Due to Covid-19, the Law Circuit Tour did not go ahead. Instead, it was agreed to use the funding received for virtual work, including the Justice Week virtual presentation event.

#### 17 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>		<b>Total funds at 31 May 2021 £</b>
Current assets	120,101		120,101
Current liabilities	(7,760)		(7,760)
<b>Total net assets</b>	<b>112,341</b>		<b>112,341</b>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 May 2020 £</b>
Current assets	221,244	15,000	236,244
Current liabilities	(78,736)	-	(78,736)
<b>Total net assets</b>	<b>142,508</b>	<b>15,000</b>	<b>157,508</b>

#### 18 Related party transactions

During the year the charity made the following related party transactions:

##### **L. Shorter**

(formerly CEO of Inside Justice)

As detailed in the Trustees' Report, Inside Justice was previously a division of the not-for-profit newspaper "Inside Time". The former CEO of Inside Justice, L Shorter, is also a director of Inside Time Limited. At the year end, Inside Time Limited owed £Nil (2020: £12,329) to Inside Justice and this was included in Other Debtors in these accounts.

During the period L Shorter was paid management fees of £38,335 (2020: £45,833). G Madland, partner of L Shorter, was paid £15,428 (2020: £14,400) for casework assessment. At the balance sheet date the amount due to/from L Shorter was £Nil (2020 - £Nil).