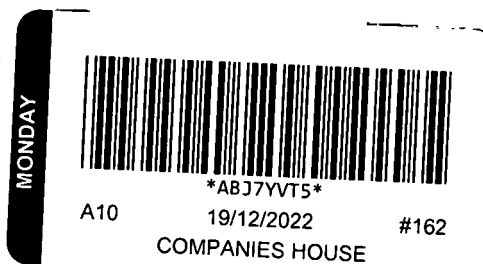


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**TRUSTEES' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR
ENDED 31 MARCH 2022**



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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Rachel Youngman (Chair)

Michael Greenwood (Treasurer)

Anne Stephens (Resigned 27th October 2021)

Sara Khan

Margaret Crisell (Resigned 27th October 2021)

Roz Morrison

Erika Szasz

Louise Swan

Klara Skrivankova

Rosalyn Akar Grams

Anne Noreen Langton

Annette Man Kwan So

Chief Executive and Secretary

Marchu Belete

Kate Shurety (Interim CEO from 26th October 2022)

Charity number

01104094

Company number

04533442

Principal address and registered office

356 Holloway Road

London

N7 6PA

Auditors

Myrus Smith

Chartered Accountants

Norman House

8 Burnell Road

Sutton

Surrey

SM1 4BW

TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2022

The Trustees present their Report and Financial Statements for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", Charities Act 2011, Companies Act 2006 and UK Generally Accepted Accounting Practice.

In preparing this report, the Trustees have taken advantage of the small company's exemptions provided by Section 415A of the Companies Act 2006.

Hibiscus Initiatives is a company limited by guarantee (not having a share capital) and a registered charity.

Objectives

The key charity objectives of Hibiscus Initiatives, hereinafter referred to as Hibiscus, are to:

- ♦ relieve the poverty and the emotional, practical, social and legal needs of persons, in particular but not limited to women, who have been affected by criminal and social justice issues;
- ♦ advance public education about such persons;
- ♦ undertake any other charitable object.

Our Vision

A fair and just society where inequalities are eliminated from the criminal justice and immigration systems.

Our Mission

Hibiscus enables marginalised migrant women trapped in the immigration and justice system to rebuild their lives.

Our mission is to:

- ♦ provide advocacy, support and specialist services to marginalised, vulnerable foreign national and BMER women and men;
- ♦ enable informed choices;
- ♦ promote social justice and respect;
- ♦ reduce inequalities.

Our Values

- ♦ **Integrity:** To be pro-active in our intentions, for our work and actions to reflect the values we hold as an organisation.
- ♦ **Respect:** To respect our colleagues, stakeholders, and the women and families we support. Even when we disagree, to see each other as full human beings, with struggles and dreams.
- ♦ **Learning & Innovation:** To be curious. To invest in our staff to develop and grow. To find new and innovative ways of supporting migrant women to rebuild their lives. To reflect honestly when things haven't gone right.
- ♦ **Inclusive:** To centre those with lived experience throughout what we do. Being an ally, co-producing services, research and articles. To be inclusive in a meaningful way, to support our clients to be part of Hibiscus as employees and trustees.

TRUSTEES' REPORT

Activities

Hibiscus is the UK's leading organisation working with Black, minoritised and migrant women and families at the intersection of the immigration and criminal justice systems. Our primary focus is on working with women; we also work with men where this complements our work with women. This currently includes work with men in the Heathrow Immigration Removal Centres (IRCs) Harmondsworth and Colnbrook and families in the Gatwick Pre-Departure Accommodation (PDA).

Our principal activities fall into these strands:

- ♦ Community Services to Women;
- ♦ Specialist Advocacy and Advice Services to Women in Prisons;
- ♦ International Resettlement and Detention Services;
- ♦ Specialist Gender Specific Welfare Support to Women in Detention;
- ♦ Specialist Support to Families Facing Forced Removal;
- ♦ Anti-Trafficking.

As reflected in all the strands, the organisation exists to provide advocacy, advice, support and specialist services to empower our clients to enable informed choices and positive change. Support takes many forms and can include help to access legal advice/representation, family issues, social services, housing, mental health and well-being, education and training and help settling into the community either here in the UK or back in their home countries. An activity relating to all strands is to conduct research, communicate and raise awareness of the issues faced by our clients, with a view to influencing policy makers.

The Trustees, in making decisions about the activities, have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. All of the activities are considered by the trustees to be in the public benefit.

All of our funders require ongoing and project end reports and have been satisfied that the outcome requirements have been met or exceeded.

Achievements and Performance

Community & Prisons Services

Community Service

Our community team provides specialist, trauma-informed support to Black and migrant women affected by the criminal justice system, immigration restrictions and/or survivors of trafficking, across the Greater London area. Funding for the team came from a number of sources including Esmée Fairbairn Foundation, the National Lottery Reaching Communities Fund, London Community Foundation and Paul Hamlyn Foundation.

The Women's Centre reopened following the Covid pandemic in June 2021, and numbers attending activities gradually increased through the year as women gained confidence to return to the Centre. Alongside individual casework, practical and emotional support, we delivered a comprehensive programme of group and 1-1 activities, focusing on three overlapping strands of practical support, wellbeing and empowerment and agency. Highlights included special events for Black History Month, Christmas party and International Women's Day.

TRUSTEES' REPORT

We continue to see a high level of need from women accessing casework support, with continued delays to immigration decisions, Tribunals, and criminal justice proceedings, and consequent impact on women's practical situations, mental and emotional health. Lack of suitable housing, financial destitution made worse by the rising cost of living, and difficulties accessing legal support and mental health treatment are all key areas of concern.

Our community services include a number of additional projects and partnerships:

WrapAround Service

We continued our Pan London WrapAround Service, delivered under a Service Level Agreement funded by Mayor's Office on Police and Crime (MOPAC) in partnership with Advance, Women in Prison and Pecan. Our WrapAround project worker provides holistic support to women with experience of the criminal justice system through a support plan, one to one support and onward referrals to specialist agencies.

Diversion Service

Our Diversion Service works with migrant women who have been given conditional cautions with a requirement to engage in the Diversion service, as well as taking voluntary referrals from women in police custody. The Diversion Project is funded by MOPAC through Advance and works in partnership with Women in Prison and Pecan.

Cultural Mediation Project

Our Cultural Mediation Project, funded by The Bell Foundation, we focus on working with survivors of trafficking to provide evidence to establish the role of cultural mediators within the UK criminal justice and immigration systems.

The main activities carried out are providing training on cultural mediation to external organisations with subsequent review of their feedback to improve the existing materials. The project has also sought to engage with clients by designing and delivering a tailored training programme for them to enhance their skills and become cultural mediators. Training on cultural mediation awareness and good practices was delivered to the external organisation Women in Prison (WIP), an organisation that works to support women affected by the Criminal Justice System. There was a total of four training sessions, and these were organised online. The sessions began in May 2022 and ended in August 2022 (Q1), with a total of 45 participants. The training covered WIP staff members including frontline workers, advisory professionals, policy and Monitoring & Evaluation staff, administrative assistants, coordinators, and senior managers. This training was successful in raising awareness of how key the provision of cultural mediation is for women survivors of trafficking and how it helps them access support and start a recovery path. An evaluation was carried out at the end of the training and the findings were incorporated into the training.

A tailor-made training course has been designed for survivors of trafficking and gender-based violence to become cultural mediators. This training has been face-to face, and so far, 9 women have participated. Module one was delivered with the goal for women to understand the role of a cultural mediator and the skills required. The second module was in October 2022, and the women learned to communicate and translate between people with cultural and linguistic needs. Women are using their own experiences to understand and control the process of cultural mediation.

Specialist Advocacy and Advice Services to Women in Prisons

Securing dedicated funding for this work has continued to be challenging, and the Board have agreed to fund this work using reserves where necessary due to the high priority to support migrant women in prison. In March 2022 the Man Group Charitable Trust agreed to fund £100,000 over 2 years towards this work.

We currently continue to work in three prisons, HMP Bronzefield, HMP Peterborough and HMP Downview. The prisons continued to operate with restricted regimes for much of the year, due both to ongoing concerns around Covid-19 and prison staff shortages. Hibiscus staff were able to return to visiting each prison weekly, to provide in-person advice, advocacy and emotional support to foreign national women. In HMP Peterborough the prison has continued to facilitate a free phone line 1 day/week to provide additional support, which has proved very beneficial with a large number of calls received and many new clients engaged.

TRUSTEES' REPORT

International Resettlement and Detention Services

This year has been difficult for our work, and its main delivery service has had to change in line with the repurposing of the Immigration Removal Centres (IRC's) and the work we are doing including our work with partners and internationally. Since the start of the pandemic, we have been working alongside our various policies and procedures to ensure that a phased return can resume without too much interruption to the service and the clients we support. We have been working with other agencies, centres, Home Office and public health to ensure both the safety of those we support and our staff, and ensuring we are understanding the complexities of returning and our partners internationally who have also been impacted by the pandemic. We are pleased that we have managed to resume front line support within the centres from June 2021, in line with lockdown and PHE requirements.

Numbers are at an all-time low, but we are responding to the trend and ensuring that our focus remains on those in detention as well as supporting those that have been released. This focus has been apparent especially in Yarl's Wood, where the staff have worked tirelessly to ensure that women are getting the specialist support they need on release, which has been heightened during the lockdown. We are working closely with other agencies, so that the women receive a package of support upon their release. We have faced difficulties with women being released at times, such as homelessness and being without funds to enable them to get the resources and food they need. The emergency support fund that Hibiscus provided has been invaluable and the IR team are focusing on a sustainable support system which has been successful.

Some of our work has been supporting clients released from detention into the community due to COVID-19 or where flights have been cancelled and cannot be rebooked due to individual country entry restrictions or complete lockdowns. Many clients are struggling to cope in the community with very little support, however we are available over the phone to assist with emotional wellbeing and some practical assistance. Most of the time they are in vulnerable positions as they cannot work. Often, we have been referring community clients to charities providing food vouchers, phone top-ups or funds for toiletries as well as organisations like Hestia, Samphire and Social Services for additional emotional or practical support. Many female clients in the community have been sent therapeutic material to manage their stress levels. They in turn have fed back that it has helped ease some of their stress and anxieties.

In Heathrow, the majority caseload has been migrants who have been transferred from prisons and are awaiting deportation. Following the recent increase of migrants crossing the Channel, Colnbrook has begun to house those clients who have claimed asylum at the Port of Dover. To accommodate the need for clients in the centre, we have also increased our presence in the Sahara unit to assist the women who are detained for short periods of time and especially those facing vulnerabilities and need additional support.

Undocumented migrant cases have been supported with referrals to legal aid solicitors, help with understanding their immediate situation, explanation of the appeals process, and signposting to other avenues of support during this difficult time. Additionally, we have been providing emotional support and returns counselling, particularly on health and safety concerns around COVID-19 where client's need to self-isolate on their return. Additional measures have been considered, such as where they will self-isolate and if they are in need of PPE such as masks.

Specialist Support to Families Facing Forced Removal

Due to the pandemic, the Gatwick Pre-Departure Accommodation (PDA) has been closed. Staff have been presenting our services to new officers during their Initial Training Course (ITC) and developing our training package for staff within the centres. We have also been working on updating policies, procedures and feedback to ensure the best outcomes for the families once the service resumes. The PDA staff have been updating the leaflets and partnership work, ensuring collaboration and information gathering ready for service delivery.

TRUSTEES' REPORT

The team have been working hard to create a new resource package referred to as TCU booklets, which are return to booklets for those that are returning back to European countries under third country cases. We have also been updating all our return to booklets, as well as creating new ones such as Brazil.

Specialist Gender Specific Welfare Support to Women in Detention

The Specialist Welfare Service (SWS) at Yarl's Wood has been offering a hybrid service within Yarl's Wood and to those who have been released. During the last year, the centre has been re-purposed at various times of the year and therefore the SWS has had to change the way of working with the women who have been in Yarl's Wood. We have adopted a fast and flexible working approach, which has meant adjusting to changes to the centre often with one or two-day's notice. This planning has helped ensure that a larger number of clients can be supported.

The lockdowns have put an increased strain on clients we were working with, both inside and outside of detention. People are trying to cope with the unknown and the continuous update on government guidelines and they have expressed to us, in both senses, their freedom has been lost. This has resulted in more communication and update with clients, ensuring their wellbeing and mental health is being supported, using therapeutic intervention and calming techniques which has helped clients cope better.

Where we haven't been able to hold face-to-face group work with the women, we have found suitable alternatives such as making individual packages that were delivered to help with their self-care and positivity.

Emotional and psychological support continues to be at the forefront of our focus of support offered. Some other examples of what we have assisted with include; job searches, finding legal representation, investigating free study courses, and ensuring their basic needs are met; such as food, clothing, accommodation and enhancing their support network. Some of our clients have requested tools to help them learn a new skill and we were pleased to have been able to purchase workbooks. This has also helped increase their level of English. It is great to be able to help occupy our clients' minds and have them focus on positive resolutions, such as life skills during this difficult time with a lot of uncertainty. If needed, we have still been referring our clients to specialist support agencies and this is assessed case by case depending on the specialism required.

We have also found that our engagements and professional relationships with internal and external partnership agencies have strengthened during the last year which we hope will develop even further to best support our clients.

Re-Run clothing kindly donated some running/fitness equipment such as trainers and clothing and we were able to distribute these both for our clients in detention and community clients to promote wellbeing through fitness.

We are also pleased to say that our SWS worker has passed her Independent Domestic Violence Advisor (IDVA) qualification and will be able to support women who are being presented with complex needs and domestic abuse, as well as our continuous work on the Anti-Trafficking Steering Group (ATSG).

Anti-Trafficking

The Anti-trafficking Steering Group (ATSG) was set-up in order to ensure that the different departments at Hibiscus work together and coordinate their response against human trafficking. The group will work towards these 5 lines of action: providing a specialised service, professional partnerships, enhance knowledge, advocate for change and centring women's voices.

The ATSG has produced a training PowerPoint for new Hibiscus staff as an introduction and reference for working with clients who have experiences of trafficking. The ATSG has been asked by Unlocked Graduates to deliver training on anti-trafficking for HMPPS officers on 6th September in London.

TRUSTEES' REPORT

ATSG members facilitated a second thematic Focus Group: Experiences of the NRM and CJS on April 22nd. This group provided a space for women who have experienced both the National Referral Mechanism and process, and have had contact with the Criminal Justice System, and more specifically with prison. Six women attended and shared their stories, thoughts and experiences. It was a rich and cohesive session, and the mutual support offered by clients all at different stages of the NRM and CJS was positive and hopeful. The next focus group is proposed to look into the effects of the NRM on those with children.

Hibiscus has also secured funding from the IOM to conduct research on the experiences of survivors of trafficking in the Criminal Justice System. The Policy Team is also beginning the process of starting a six-episode podcast which will enable clients to tell their stories and create their own narrative, contributing to the conversation around experiences of the NRM. Two community clients have already agreed to participate.

Financial Review

The Trustees consider that the main risk the charity faces is not being able to raise sufficient funds to continue providing its core services. The fundraising programme is continually reviewed and the Trustees are very aware of the necessity to ensure that the charity has sufficient reserves.

The Trustees have also examined other operational and business risks faced by the charity and can confirm that suitable measures have been taken, wherever possible, to mitigate any significant risks.

The Finance & Compliance Sub-Committee review and update the risk register on a quarterly basis and report to the Board.

Our funders are as listed in notes 2 and 3 to the accounts.

Income increased from £1,374,566 in 2020/2021 to £1,442,861 in 2021/2022 with increased grants and contracts for our work. Expenditure for the year was £1,392,539 an increase on the previous year's expenditure which was £1,357,929.

The total funds held at 31st March 2022 were £735,872 of these £24,795 are restricted, £203,385 are designated, and general funds stand at £507,692 up from £438,189 in the previous year.

The purpose of the restricted funds held is to further the work in the relevant service areas in accordance with the conditions of funding. See note 17.

Trustees have reviewed and re-designated reserves to set aside funds to meet financial obligations to employees and others in the unlikely event of the charity ceasing to exist. Other funds are set aside to meet potential costs outside the annual budget. Designated funds at March 2022 were £203,385 decreased from £223,385 to meet the projected costs of contractual obligations and wind-down costs. See note 19.

The Trustees have reviewed the income it is to receive in the year to 31 March 2023 and believe there will be sufficient income to pay all debts as they fall due and to retain the current level of reserves.

TRUSTEES' REPORT

Our Strategy

From 2021-2023 Hibiscus is focusing our work on five strategic themes - our 5 R's - to ensure that we become a more impact-led, trauma informed and client-centred organisation.

Recovery

To recover from the pandemic and regain service capacity, aiming to reach the same number of clients before the pandemic.

Resilience

To improve our systems and processes to become a more resilient organisation to better withstand the challenges of present and future, including the pandemic.

Recentre

To centre the migrant women we work with in our work, and in particular Black women. To become an anti-racism organisation. To increase our empowerment works.

Reconnect

To celebrate our 35th anniversary and re-connect to the reason and purpose for which Hibiscus was founded. To ensure the story of our founder, Olga Heavens, is still central to our work and communicate our history, impact and achievements.

Reimagine

To clarify our purpose statement and develop our theory of change and new strategy. A new vision for the future of Hibiscus.

How we support and empower migrant women

Policy: By providing a platform for marginalised migrant women with experience of the criminal justice and immigration system to influence policy and practice.

Policy and decisions makers understand the experiences of marginalised migrant women and implement fairer, more humane policies.

Practice: By identifying victims of trafficking and influencing the treatment of marginalised women through advocacy, training, tools and resources.

We influence institutions and staff to understand the needs of migrant women and implement better, fairer practices.

Public Opinion: In highlighting injustice and rebalancing the narrative around migrant women by getting the stories and voices of women themselves into the media.

There are more stories in the media which present an accurate and honest account of the experiences of marginalised, migrant women.

TRUSTEES' REPORT

Supporting Our Clients

Whatever their situation, Hibiscus works to ensure every client:

Feels:

- Listened to and understood
- Cared for
- Safer

Understands their:

- Situation
- Rights and responsibilities
- Options

Has their basic needs met:

- Safety
- Documentation
- Finance, Food and Housing

Forms positive, supportive, personal connections and feels:

- Supported
- Less isolated

Is enabled to:

- Make informed decisions
- Take action
- Influence change

Experiences:

- Fairness
- Justice
- Freedom

All of this contributes to improved mental health and wellbeing.

If and when our clients are ready, we help them to tell their story, and to use their experience to advocate for change in the criminal justice and immigration system.

TRUSTEES' REPORT

Structure, Governance and Management

Hibiscus Initiatives is a company limited by guarantee without share capital incorporated on 12 September 2002 and registered with the Charity Commission on 2 June 2004 as a charity. Its governing rules are its Memorandum and Articles of Association. Prior to its incorporation the charity had operated since 1986 as an unincorporated charity under the name Female Prisoners Welfare Project. On incorporation it became FPWP Hibiscus Limited and changed its name to Hibiscus Initiatives by special resolution on the 9th September 2013. The Articles of Association were reviewed and updated during 2014 and formally adopted in October 2014.

While day to day responsibility is delegated to the Chief Executive, Marchu Belete and her senior leadership team, overall responsibility rests with the Board. Strategic decisions and those relating to conditions of employment for the Chief Executive and senior leadership team are made by the Board and where appropriate with the assistance of external professional experts.

The Chief Executive works closely with the Board and the senior leadership team. Senior staff each manage a team of skilled staff and send regular departmental reports on their projects' work to the Board members.

Hibiscus' administrative structure and governance arrangements are a crucial part of the organisation, driving performance and keeping delivery on track. We worked to achieve the aims set out in the strategic plan; particular attention was paid to ensure staff training and support needs were met.

The Board of Trustees and Directors of the Company

Selection and appointment of trustees is governed by the charity's Articles of Association. The organisation requires that all trustees have a clear understanding of the criminal justice system and the needs and issues surrounding women in prison, including foreign national prisoners, those held in immigration removal centres in the UK, those released from both prisons and immigration removal centres into the community or returned back to their home countries, and issues surrounding trafficking and the phenomena of modern day slavery.

The directors of the charitable company are its trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:

- ◆ Rachel Youngman (Chair)
- ◆ Michael Greenwood (Treasurer)
- ◆ Margaret Crisell (resigned 27th October 2021)
- ◆ Roz Morrison
- ◆ Anne Stephens (resigned 27th October 2021)
- ◆ Sara Khan
- ◆ Erika Szasz (resigned 4th July 2022)
- ◆ Louise Swan
- ◆ Anne Noreen Langton
- ◆ Klara Skrivankova
- ◆ Rosalyn Akar Grams
- ◆ Annette Man Kwan So

TRUSTEES' REPORT

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities SORP 2019 (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the Financial Statements;
- ♦ 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 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.

In so far as the Trustees are aware:

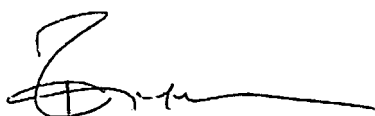
- ♦ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Myrus Smith have expressed their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

Approval

This report was approved by the Trustees on 28th November 2022 and signed on their behalf, by:



Rachel Youngman

Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIBISCUS INITIATIVES

Opinion

We have audited the financial statements of Hibiscus Initiatives (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of 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 March 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 trustees are responsible for the 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIBISCUS INITIATIVES

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 has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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; or
- ♦ 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 directors' report and from the requirement 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 economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIBISCUS INITIATIVES

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:


- ◆ Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- ◆ Reviewing minutes of meetings of those charged with governance.
- ◆ Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- ◆ Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- ◆ Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- ◆ Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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.



Stephen Jones FCA (Senior Statutory Auditor)
For and on behalf of Myrus Smith
Chartered Accountants and Statutory Auditor

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

28th November 2022

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Company Number 04533442

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:						
Donations and grants	2	4,479	-	501,850	506,329	578,808
Charitable activities	3	936,499	-	-	936,499	795,662
Investments		33	-	-	33	96
Total		941,011	-	501,850	1,442,861	1,374,566
Expenditure on:						
Raising funds	5	21,770	-	-	21,770	18,849
Charitable activities	6	869,106	-	501,663	1,370,769	1,339,080
Total		890,876	-	501,663	1,392,539	1,357,929
Net income/(expenditure)	4	50,135	-	187	50,322	16,637
Transfers between funds	17/18	19,368	(20,000)	632	-	-
Net movement in funds		69,503	(20,000)	819	50,322	16,637
Total funds brought forward	17/18	438,189	223,385	23,976	685,550	668,913
Total funds carried forward		507,692	203,385	24,795	735,872	685,550

All income and expenditure is derived from continuing activities.

There were no recognised gains or losses for 2021 and 2022 other than those included in the Statement of Financial Activities.

The notes on pages 18 to 29 form part of these Financial Statements.

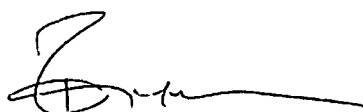
BALANCE SHEET AS AT 31 MARCH 2022

Company Number 04533442

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Tangible assets	12		-		-
Current assets					
Debtors	13	467,738		326,146	
Cash at bank and in hand	14	480,715		432,095	
		<u>948,453</u>		<u>758,241</u>	
Creditors: amounts falling due within one year	15	<u>212,581</u>		<u>72,691</u>	
Net current assets			735,872		685,550
Net Assets			<u>735,872</u>		<u>685,550</u>
Income funds					
Restricted funds	17		24,795		23,976
Unrestricted funds	18		507,692		438,189
Designated funds	19		203,385		223,385
Total funds	20		<u>735,872</u>		<u>685,550</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Financial Statements were approved by the Board on 28th November 2022 and signed on its behalf by:



Rachel Youngman
Chair



Michael Greenwood
Treasurer

The notes on pages 18 to 29 form part of these Financial Statements.

STATEMENT OF CASHFLOWS AS AT 31 MARCH 2022

<u>Company Number 04533442</u>		
	2022	2021
	£	£
Notes		
Net cash provided by /(used in)		
operating activities	21	
	48,620	92,919
Cash and cash equivalents		
At 1 April	432,095	339,176
At 31 March	480,715	432,095

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES

General information and basis of preparation

Hibiscus Initiatives is a company limited by guarantee registered in England and Wales. 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. The address of the registered office is given in the 'Legal and Administrative Information' on page 1 of this Trustees' Report and Financial Statements.

The charity constitutes a public benefit entity as defined by 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), The Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice .

The Financial Statements are prepared on a going concern basis under the historical cost convention.

The significant accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

Income recognition

Items of income are recognised in the Financial Statements when all of the following criteria are met:

- ♦ the charity has entitlement to the funds;
- ♦ any performance conditions have been met or are fully within the control of the charity;
- ♦ there is sufficient certainty that the receipt of the income is considered probable; and;
- ♦ the amount can be measured reliably.

Expenditure recognition

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 that the amount can be measured reliably.

Expenditure is allocated to each activity where the costs relate directly to that activity. Support costs, including governance costs, that do not relate directly to any activity are apportioned to each activity on the basis of staff time.

Expenditure is included under the following headings:

- ♦ Raising funds which comprises the costs associated with attracting voluntary donations and grants
- ♦ Charitable activities which comprises the costs associated with running the various activities, services and projects for the charity's beneficiaries

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES (continued)

Fixed Assets and Depreciation

Tangible fixed assets costing in excess of £1,000 are capitalised and stated at cost less accumulated depreciation. Fixed assets acquired for a specific project are expensed in the year of purchase.

Depreciation is provided so as to write off the cost of fixed assets at the following annual rates:

Office equipment	25% reducing balance
Computer equipment	25% straight line

Fund accounting

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity.

Designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Restricted funds are those funds which can only be used in accordance with the wishes of the donor or which have been raised for a particular purpose.

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs

The charity operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the year to which they relate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2 DONATIONS AND GRANTS

Grant and donation income was received from the following sources:

	2022 £	2021 £
Restricted grants:		
National Lottery – Women and Girls	75,000	150,000
The Bell Foundation	45,833	-
NPS	-	40,000
Esmee Fairbairn	50,000	10,873
Diversion	19,644	19,644
Comic Relief	-	37,250
Advance and Women in Prison (Pan London)	66,250	45,000
Trust for London	21,732	9,200
Barrow Cadbury Trust	25,000	-
Justice Together	33,333	-
Paul Hamlyn	23,100	-
Ministry of Justice	99,658	-
The A B Charitable Trust	-	15,000
COVID 19 grants	42,300	251,841
Total restricted grants	501,850	578,808
Restricted donations	-	-
Unrestricted donations	4,479	-
Total grants/donations	506,329	578,808

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3 INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Contract income receivable		
SERCO/G4S GATWICK	220,582	220,338
SERCO SWS	57,120	57,120
MITIE	38,998	-
Home Office	609,074	515,722
	925,774	793,180
Other income	10,725	2,482
Total income from charitable activities	936,499	795,662

All income from charitable activities recognised in 2021 and 2022 was unrestricted.

4 NET INCOME (EXPENDITURE)

	2022 £	2021 £
Operating surplus is stated after charging		
Auditor's fee	2,020	2,900

5 COST OF RAISING FUNDS

	Direct costs	Support costs	2022 £	2021 £
Fundraising activities	21,770	-	21,770	18,849

All of the expenditure recognised in 2021 and 2022 was unrestricted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

6 COST OF CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total 2022 £	Total 2021 £
Support and advocacy to foreign nationals affected by the criminal justice and immigration systems	1,147,304	223,465	1,370,769	1,339,080

Of the £1,339,080 expenditure recognised in 2021, £737,702 was charged to unrestricted funds and £601,378 was charged to restricted funds.

7 ANALYSIS OF DIRECT COSTS

	Raising funds £	Charitable activities £	2022 £	2021 £
Wages and salaries	21,770	835,951	857,721	818,481
Staff travel UK	-	42,295	42,295	4,257
Staff training and conferences	-	7,137	7,137	33,613
Overseas resettlement and travel	-	56,371	56,371	8,796
External consultancy	-	113,201	113,201	60,671
COVID 19 support	-	15,769	15,769	128,415
Recruitment	-	13,071	13,071	42,925
Other direct costs	-	63,509	63,509	40,622
	21,770	1,147,304	1,169,074	1,137,780

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

8 ANALYSIS OF SUPPORT COSTS

	2022 £	2021 £
Office costs	126,446	101,002
Premises costs	92,494	112,527
Governance costs (note 9)	4,525	6,620
	223,465	220,149

9 GOVERNANCE COSTS

	2022 £	2021 £
Audit fees	2,020	2,900
AGM/Annual review	1,320	2,640
Trustee training/membership	1,185	1,080
	4,525	6,620

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

10 TRUSTEE AND BOARD MEMBER EXPENSES

During the year there were no payments made to Trustees in respect of expenses or fees (2021: £nil).

11 STAFF COSTS

Total staff wages for the year excluding national insurance was £772,863 (2021: £714,568).

Total social security costs for the year were £69,431 (2021: £62,306).

The average number of employees during the year was 26 (2021: 26).

The total employment benefits received by key management was £252,576 (2021: £188,033).

There was one employee with emoluments between £60,000 and £69,999 (2021: None).

No employee received monies by way of compensation for termination of employment (2021: none).

The charity operates a defined contribution pension scheme. Contributions during the year were £15,427 (2021: £41,607).

None of the Trustees or members of the Board received any emoluments during the year (2021: £nil).

Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance and employer pension costs.

12 TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
At 1 April 2021	23,834
At 31 March 2022	23,834
Depreciation	
At 1 April 2021	23,834
At 31 March 2022	23,834
Net book value	
At 31 March 2021	-
At 31 March 2022	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13 DEBTORS

	2022 £	2021 £
Rent deposit	7,866	8,782
Other debtors—contract income	450,576	309,303
Pre-payments	9,296	8,061
	467,738	326,146

14 CASH AT BANK

	2022 £	2021 £
Bank current account	276,268	211,893
Bank deposit accounts	198,046	212,896
Cash in hand	6,401	7,306
	480,715	432,095

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
Trade creditors	88,581	56,285
Sundry creditors and accruals	7,500	11,806
Income in advance	116,500	4,600
	212,581	72,691

16 OPERATING LEASE COMMITMENTS

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

Due within:

One year

One to five years

	2022 £	2021 £
One year	47,442	21,531
One to five years	-	-
	47,442	21,531

At 31 March 2022 the company had annual commitments of £47,442 (2021: £21,531) for rent of premises under non-cancellable operating leases which expire in July 2023 (notice period 6 months).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17 RESTRICTED FUNDS

The funds of the charity include restricted funds comprising the following unexpended balances of grants held on trusts to be applied to specific purposes:

		Balance at 1 April 2021	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2022
At 31 March 2022						
The Bell Foundation	Anti Trafficking	-	45,833	37,127	-	8,706
Barrow Cadbury	Double Disadvantage	-	25,000	25,290	-	(290)
National Lottery	Community Services to Women	4,384	75,000	79,386	2	-
National Lottery	COVID 19	2,142	-	2,144	2	-
Justice Together		-	33,333	27,215	-	6,118
Esmee Fairbairn	Community Services to Women	-	50,000	49,264	-	736
Pan London	Community Services to Women	-	66,250	57,260	-	8,990
Trust 4 London	Community Services to Women	3,018	21,732	23,737	-	1,013
LCF	COVID 19	-	42,300	42,822	522	-
MOJ	Community Services to Women	-	99,658	99,764	106	-
Paul Hamlyn	Community Services to Women	-	23,100	22,622	(936)	(458)
Paul Hamlyn	COVID 19	14,432	-	15,368	936	-
Diversion	Community Services to Women	-	19,644	19,664	-	(20)
		23,976	501,850	501,663	632	24,795

Full details of the purposes of these funds are in the Trustee report in the Financial Review section.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17 RESTRICTED FUNDS

The funds of the charity include restricted funds comprising the following unexpended balances of grants held on trusts to be applied to specific purposes:

		Balance at 1 April 2020 £	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2021 £
At 31 March 2021						
The Bell Foundation	Anti Trafficking	19,496	-	19,828	332	-
The Bell Foundation	COVID 19	-	6,000	6,000	-	-
National Lottery	Community Services to Women	11,654	150,000	157,270	-	4,384
National Lottery	COVID 19	-	40,000	37,858	-	2,142
Comic Relief	Specialist Advocacy and Advice Services	417	37,250	37,949	282	-
Comic Relief	COVID 19	-	40,000	40,001	1	-
Esmee Fairbairn	Community Services to Women	(130)	10,873	10,753	10	-
Esmee Fairbairn	COVID 19	-	10,873	10,873	-	-
NPS	Community Services to Women, Court	2,068	40,000	42,098	30	-
Peoples Postcode	Community Services to Women	1,173	-	1,176	3	-
Pan London	Community Services to Women	8,919	45,000	53,923	4	-
Trust 4 London	Community Services to Women	964	9,200	7,146	-	3,018
LCF	COVID 19	-	30,000	30,000	-	-
MOJ	Community Services to Women	-	59,000	60,135	1,135	-
MOJ	COVID 19	-	45,968	46,081	113	-
Paul Hamlyn	COVID 19	-	20,000	5,568	-	14,432
Diversion	Community Services to Women	-	19,644	19,644	-	-
The A B Charitable Trust	Community Services to Women	-	15,000	15,075	75	-
		44,561	578,808	601,378	1,985	23,976

Full details of the purposes of these funds are in the Trustee report in the Financial Review section.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

18 UNRESTRICTED FUNDS

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2022 £
At 31 March 2022					
Unrestricted funds	438,189	941,011	890,876	19,368	507,692
Designated funds (note 19)	223,385	-	-	(20,000)	203,385
	661,574	941,011	890,876	(632)	711,077

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2021 £
At 31 March 2021					
Unrestricted funds	416,839	795,758	756,551	(17,857)	438,189
Designated funds (note 19)	207,513	-	-	15,872	223,385
	624,352	795,758	756,551	(1,985)	661,574

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19 DESIGNATED FUNDS

	2022 £	2021 £
The following funds have been set aside out of general funds by the Trustees:		
Contractual obligations and wind-down costs	188,385	188,385
Website Upgrades/Staff Training	-	20,000
Exceptional need	15,000	15,000
	203,385	223,385

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
2022			
Current assets	923,658	24,795	948,453
Current liabilities	(212,581)	-	(212,581)
As at 31 March 2022	711,077	24,795	735,872

	Unrestricted Funds £	Restricted Funds £	Total £
2021			
Current assets	734,445	23,796	758,241
Current liabilities	(72,691)	-	(72,691)
As at 31 March 2021	661,754	23,796	685,550

21 NOTES TO THE STATEMENT OF CASHFLOWS

	2022 £	2021 £
Reconciliation of surplus to net cash		
Surplus for the year	50,322	16,637
(Increase)/decrease in debtors	(141,592)	135,072
(Decrease)/increase in creditors	139,890	(58,790)
Net cash provided by/(used in) operating activities	48,620	92,919

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19 DESIGNATED FUNDS

	2022 £	2021 £
The following funds have been set aside out of general funds by the Trustees:		
Contractual obligations and wind-down costs	188,385	188,385
Website Upgrades/Staff Training	-	20,000
Exceptional need	15,000	15,000
	203,385	223,385

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
2022			
Current assets	923,658	24,795	948,453
Current liabilities	(212,581)	-	(212,581)
As at 31 March 2022	711,077	24,795	735,872

	Unrestricted Funds £	Restricted Funds £	Total £
2021			
Current assets	734,445	23,796	758,241
Current liabilities	(72,691)	-	(72,691)
As at 31 March 2021	661,754	23,796	685,550

21 NOTES TO THE STATEMENT OF CASHFLOWS

	2022 £	2021 £
Reconciliation of surplus to net cash		
Surplus for the year	50,322	16,637
(Increase)/decrease in debtors	(141,592)	135,072
(Decrease)/increase in creditors	139,890	(58,790)
Net cash provided by/(used in) operating activities	48,620	92,919

