

Charity Registration No. 1104094

Company Registration No. 4533442 (England and Wales)

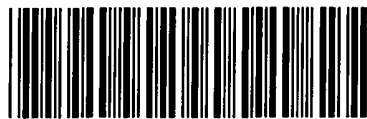
HIBISCUS INITIATIVES

(A Company limited by guarantee not having a share capital and a registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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HIBISCUS INITIATIVES**(A Company limited by guarantee not having a share capital and a registered charity)****LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Elizabeth Hogarth Geraldine McLeod Anne-Marie Whittaker Helen Easton Anne Stephens Rachel Youngman (Chair) Sara Khan Margaret Crisell Becky Shepherd
Chief Executive	Adrienne Darragh
Secretary	Anne-Marie Whittaker
Charity Number	01104094
Company Number	04533442
Principal address & Registered office	Resource for London 356 Holloway Road London N7 6PA
Auditors	Myrus Smith Chartered Accountants Norman House 8 Burnell Road Sutton Surrey SM1 4BW

HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their Report and Financial Statements for the year ended 31 March 2017.

Objectives and activities

The objectives and principal activities of the Hibiscus Initiatives, hereinafter referred to as Hibiscus, are divided into four strands *Advocacy and Advice in Prisons; International Resettlement; Community and Volunteers* and the *Anti-Trafficking project*. A further objective is to conduct research and manage campaigns that raise awareness of the issues faced by our clients with a view to influencing policy makers. The organisation exists to provide advocacy, advice, support and specialist services to empower our clients to enable them to make informed choices and positive change. Support can include help to access legal advice/representation, family issues, social services, housing, mental health and well-being, education and training and settling into the community either here or back in their home countries.

Hibiscus retains its primary focus on working with women; however, in 2012 our reach was extended to work with some men in custodial settings where such provision is of strategic relevance and complementary to our services for women. This currently includes work with men in HMP Peterborough and the Heathrow Immigration Removal Centres. Hibiscus' clients are mainly foreign and EEA nationals; the organisation also works with women from the Black and Ethnic Minority and Refugee community (BMER). Hibiscus is widely recognised for its specialist expertise and experience in supporting foreign nationals, particularly women, affected by the criminal justice and immigration systems. All of the activities are considered by the trustees to be in the public benefit.

The trustees, in making decisions about the activities, have had due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

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

In December 2016 we celebrated our thirty year anniversary. We took the opportunity to combine this with opening our new women's hub funded by the Big Lottery (Women and Girls initiative). It is a testament to the foresight of our founder, long-standing commitment of the trustees and dedication of our Chief Executive and staff team, that the organisation has flourished for so long. This we anticipate will continue and we are planning ahead to 2026 when we aim to be known as the lead organisation in our field both nationally and internationally.

We have responded to the continuing rise in demand for our services, while maintaining high quality service delivery. This year we have seen a number of memorable successes including the award of a 5 year grant from the Big Lottery Women and Girls Fund. The award was for the maximum amount of £750,000 over 5 years. The grant has enabled us to continue to expand our much needed community service and gives us the stability to improve and widen the availability to women in need across the London region. A major achievement was the securing of suitable premises for the HUB and working in partnership with Habitat for Humanities to enable us to create a safe and vibrant centre for the women we work with. Esmée Fairbairn and the Bell Foundation are key partners in our community project.

2016/17 was the first year of our agreed three-year grant from the Home Office to fund our continued work in the Immigration Removal Centres (IRCs). Our focus in this area is on improving the experiences of detainees and those returning to their countries of origin. In March 2017 we had a successful field trip to China as our work in IRCs has always involved supporting a high number of Chinese nationals. The trip enhanced our understanding of our clients' resettlement needs and we established links with organisations who can support our returning clients. To enhance our work with women at Yarl's Wood IRC, SERCO funded a specialist welfare project for 5 years.

Hibiscus' ongoing work in the area of anti-trafficking is a vital and integral element of all our activities. Hibiscus' woman-centred approach and expertise in engaging and establishing trust with clients means that our project workers are well placed to help identify victims of trafficking. Numbers of potential victims identified amongst prisoners and detainees are rising: we identified and supported 13 potential victims of trafficking in prisons and 12 in Immigration Removal Centres. We have also observed an increase in referrals to the Community Resettlement project of victims who were post 45 days 'reflection and recovery' period and those who received a negative 'conclusive grounds' decision and were discharged from the support services. Hibiscus has contributed to various forums and events with a focus on Anti-Trafficking and Victims Care such as *Victims of Trafficking in Prisons* at the Vulnerable Persons Team, National Crime Agency, Annual CPD Event and *Examining the UK's Response to Modern Slavery* at Garden Court Chambers Anti-Slavery Day Conference in October.

HIBISCUS INITIATIVES

(A Company limited by guarantee not having a share capital and a registered charity)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

There is much to celebrate in the performance delivered by the Advocacy and Advice in Prisons although funding to carry out this work continues to be challenging. In the last year we have conducted over 3,000 interventions with our clients in prison. In addition to one to one case work we organise and deliver specialist forum and workshops including with external relevant experts. In the last year we identified and/or supported 13 potential victims of trafficking in prisons. Our relationship with the prisons we work from is fruitful and very beneficial for our clients. We hope this area of work will expand and continue to develop into the future.

Mentors and volunteers make a huge contribution to the services we provide not only in the community project, but across the organisation. Mentors visit and provide much needed emotional support to very isolated and vulnerable women in prison and in the community. We have a well-established relationship with two international educational bodies, CAPA in the US and TWIN in the EU who consider Hibiscus an excellent work experience placement for their students. CAPA Chief Executive has visited Hibiscus' offices a few years ago and was impressed by our work and the first-hand experience their students acquire. Hibiscus partners with a number of educational and professional bodies from whom we recruit very valuable volunteers. City Bridge Trust funds this important work.

Lloyds Bank funded improvements in our communication and information and going forward we will use the lessons learned to inform our future communications work.

We are working towards our PQASSO quality accreditation mark. This year we made our first strides and plan to obtain Level 1 in the coming months.

We are happy to have moved from our somewhat cramped offices to a more suitable space within the Resource Centre.

The achievements highlighted above are entirely due to the hard work, passion, commitment and dedication of all the staff and volunteers at Hibiscus. The trustees are, as ever, indebted to them. None of those achievements would have been possible without our funders: we are very grateful for all their support.

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 and Compliance subcommittee 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 £735,389 in 2015-16 to £847,620 in 2016-17 with increased grants from funders for our work in the community and especially in respect of our grant from the Big Lottery. Expenditure for the year was £780,432, an increase on the previous year's expenditure which was £611,317.

The total funds held at March 2017 were £354,460, of this £42,069 are restricted, £155,000 are designated and general funds stand at £157,391 up from £91,680 last year.

Trustees have reviewed and re-designated reserves to set aside funds to meet financial obligations to staff 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. See Note 19.

The Trustees have reviewed the income it is to receive in the year to 31 March 2017 and believe there will be sufficient income to pay all debts as they fall due and to retain the current level of reserves.

In September 2016 we undertook an external professional financial health check to review our policies and procedures. No major omissions or inadequacies were identified. We are grateful to City Bridge Trust who financed the health check.

HIBISCUS INITIATIVES

(A Company limited by guarantee not having a share capital and a registered charity)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

The Trustees aim to hold a level of reserves of a minimum of the costs of closure plus three months total operating costs so as to avoid a breakdown in provision of core services in adverse conditions. At present the closure costs are included in full in designated funds. 3 months of budgeted costs for 2017/18 are £281,500 and at the year end the general reserve stands at £157,391, a shortfall of £124,109.

Reserves will continue to be examined on a quarterly basis by the Finance subcommittee who will make recommendations to the Board as appropriate.

Plans for future periods

A strategic review in March-April 2016 was led by an external facilitator; participants included staff, volunteers, beneficiaries, funders and other stakeholders. Following the extensive consultation that took place we agreed our strategic plan for the next three years. The new strategic plan informs our future work direction and business plans. We agreed the following:

Our Vision

To have a society where Foreign National and BME individuals are free from inequalities, treated with respect, have equal access to justice and are enabled to make informed choices.

Our Purpose/Mission

We provide advocacy, support and specialist services to marginalised vulnerable Foreign National and BME individuals (principally but not exclusively women), affected by criminal/civil justice and immigration systems to enable informed choice.

We promote social justice and respect to reduce inequalities.

Our Values

Social justice - Hibiscus Initiatives is committed to social justice. We aim to impact positively on the lives of our clients

Integrity - We work with integrity, respecting the diversity of our clients, to overcome inequality of access to social justice

Learning and Innovation - The charity promotes a culture of learning and innovation.

Our Goal

We will be regarded both in the UK and internationally as a leading charity in our field, excelling in what we do and placing clients at the centre of our services. We will be sufficiently financially and organisationally robust to give confidence in our long-term survival.

For the next three years we have agreed four main strategic objectives so that we keep focused on achieving our overriding goal as follows: we will

- see improved outcomes for our clients and stakeholders and evidence these effectively;
- develop systems and outcomes across the organisation that will support us what we do;
- ensure continued development through communication and learning;
- ensure that our finances are well managed and stable so that we can remain sustainable well into the future.

In respect of our clients from the European Union, it is not yet clear how the negotiations to leave the EU will affect our work, but it is unlikely to lead to less need for our services in at least the foreseeable future. We continue to respond to an increasing demand for our services, we will monitor the situation carefully and keep a close eye on Government negotiations and outcomes that will materialise over the coming two years of negotiations and beyond.

HIBISCUS INITIATIVES

(A Company limited by guarantee not having a share capital and a registered charity)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

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, Adrienne Darragh and her senior management team, overall responsibility rests with the Board. Strategic decisions and those relating to conditions of employment for the Chief Executive and senior management 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 management team. The Managers each manage a team of skilled staff and volunteers. Managers send regular operational reports on their projects' work to the Board.

Hibiscus' administrative structure and governance arrangements are a crucial part of the organisation driving performance and keeping delivery on track. A new Head of Operations joined the Chief Executive's management team this year; the Business Plan helped to keep us focused; particular attention was paid to ensure staff's training and support needs were met; finance and procedures were reviewed and refined and IT improvements made to ensure the organisation remains fit for purpose.

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 detention centres in the UK, those released from both prisons and detention centres into the community or returned back to their home countries, and issues surrounding trafficking and the phenomena of modern day slavery. In the year 2016-17, we were successful in recruiting additional trustees to ensure coverage of the full range of skills and experience needed for effective governance. Vacancies on the Board are advertised appropriately including on our website

The Trustees during the year were as follows:

Elizabeth Hogarth	(Chair to 18 July 2016)
Geraldine McLeod	
Anne-Marie Whittaker	
Helen Easton	
Anne Stephens	
Rachel Youngman	(Chair from 18 July 2016)
Sara Khan	
Maggie Crisell	
Becky Shepherd	(appointed 6 April 2016)
Anna Frisina	(resigned 18 July 2016)
Sarah Leijten	(resigned 18 July 2016)

HIBISCUS INITIATIVES

(A Company limited by guarantee not having a share capital and a registered charity)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

Statement of Trustees' responsibilities

The Trustees are required under the Charities Act 2011 to prepare financial statements for each year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- (a) Select suitable accounting policies and apply them consistently
- (b) Observe the methods and principles in the charities SORP
- (c) Make judgements and estimates that are reasonable and prudent.
- (d) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- (e) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

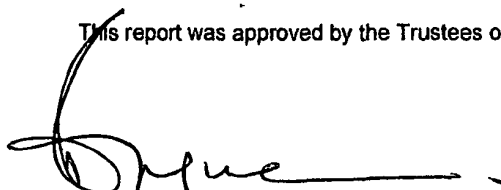
The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the charity and hence for taking responsible steps for the prevention and detection of fraud and other irregularities. So far as each Trustee is aware, there is no relevant information, defined as "information needed by the company's auditors in connection with preparing their report", of which the company's auditors are unaware; and each Trustee has taken all steps that she ought to have taken to make herself aware of any relevant matters and to ensure that the company's auditors are aware of such information. Such steps include making inquiries of other Trustees and auditors and other steps required by the Trustees' duty to exercise due care and skill.

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 17 July 2017 by order of the Trustees, signed on their behalf, by:



Rachel Youngman
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HIBISCUS INITIATIVES

(A Company Limited by Guarantee and Not Having a Share Capital)

We have audited the financial statements of Hibiscus Initiatives for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of trustees and auditor

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Management Committee to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2017, 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Annual Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HIBISCUS INITIATIVES

(A Company Limited by Guarantee and Not Having a Share Capital)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 exemption from the requirement to prepare a strategic report or in preparing the Report of the Management Committee.


S.A. Jones (*Senior Statutory Auditor*)
For and on behalf of Myrus Smith, Statutory Auditor

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

17 July 2017

HIBISCUS INITIATIVES**(A Company limited by guarantee not having a share capital and a registered charity)****STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR-ENDED 31 MARCH 2017**Company Number
04533442

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:						
Donations and grants	2	-	-	221,951	221,951	142,050
Charitable activities	3	625,547	-	-	625,547	593,339
Investments		122	-	-	122	-
Total		625,669	-	221,951	847,620	735,389
Expenditure on:						
Raising funds	5	12,728	-	-	12,728	9,040
Charitable activities	6	542,230	-	225,474	767,704	602,277
Total		554,958	-	225,474	780,432	611,317
Net income/(expenditure)	4	70,711	-	(3,523)	67,188	124,072
Transfers between funds		(5,000)	5,000	-	-	-
Net movement in funds		65,711	5,000	(3,523)	67,188	124,072
Total funds brought forward		91,680	150,000	45,592	287,272	163,200
Total funds carried forward		157,391	155,000	42,069	354,460	287,272

All income and expenditure is derived from continuing activities

There were no recognised gains or losses for 2016 and 2017 other than those included in the Statement of Financial Activities

The notes on pages 12 to 16 form part of these financial statements.

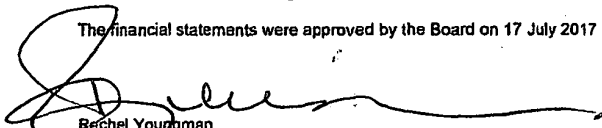
HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
BALANCE SHEET
AS AT 31 MARCH 2017

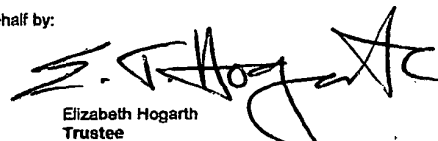
Company Number
04533442

	Notes	£	2017	£	£	2016	£
Fixed Assets							
Tangible assets	12			-			-
Current assets							
Debtors	13	229,517			155,943		
Cash at bank and in hand	14	179,616			209,757		
		<u>409,132</u>			<u>365,700</u>		
Creditors: amounts falling due within one year	15	<u>64,672</u>			<u>78,428</u>		
Net current assets				<u>354,460</u>			<u>287,272</u>
Net Assets				<u>354,460</u>			<u>287,272</u>
Income funds							
Restricted funds	17			<u>42,069</u>			<u>45,592</u>
Unrestricted funds	18			<u>167,391</u>			<u>91,680</u>
Designated Funds	19			<u>155,000</u>			<u>150,000</u>
	20			<u>354,460</u>			<u>287,272</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 17 July 2017 and signed on its behalf by:


 Rachel Youngman
 Chair


 Elizabeth Hogarth
 Trustee

The notes on pages 12 to 16 form part of these financial statements.

HIBISCUS INITIATIVES**(A Company limited by guarantee not having a share capital and a registered charity)****STATEMENT OF CASHFLOWS****AS AT 31 MARCH 2017**

Company Number

04533442

	Notes	2017 £	2016 £
Net cash (used in)/provided by operating activities	21	(30,142)	36,162
Cash and cash equivalents			
At 1 April 2016		209,757	173,595
At 31 March 2017	21	<u>179,615</u>	<u>209,757</u>

HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2017

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 "Reference and Administrative Information" on page 1 of these 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 (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), 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 Practice as it applies from 1 January 2015.

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 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.

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.

HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

2 DONATIONS AND GRANTS

Grant and donation income was received from the following sources:

	2017 £	2016 £
Restricted Grants		
Awards 4 All	-	9,800
Big Lottery	92,850	7,500
The Bell Foundation	40,000	51,175
City Bridge Trust	32,386	42,000
Esmee Fairbairn	20,716	10,275
Lloyds Foundation	-	15,000
Tudor Trust	25,000	5,000
The A B Charitable Trust	10,000	-
Total restricted grants	220,951	140,750
Restricted donations	1,000	-
Unrestricted donations	-	1,300
Total grants/donations	221,951	142,050

3 INCOME FROM CHARITABLE ACTIVITIES

	2017 £	2016 £
Contract income receivable		
HMP Dover	-	19,302
HMP Peterborough	65,322	61,191
Praxis	-	3,500
SERCO	53,510	-
CRC - TTG	54,671	-
Women in Prison - TTG	29,276	107,346
Home Office	411,103	400,000
	613,882	591,339
Other income	11,665	2,000
Total income from charitable activities	625,547	593,339

All income from charitable activities in 2016 and 2017 was unrestricted.

HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

4 NET INCOME/(EXPENDITURE)			2017	2016
			£	£
Net income is stated after charging				
Auditors' fee			<u>2,800</u>	<u>2,500</u>
Depreciation of tangible fixed assets (note 12): Owned			<u>-</u>	<u>-</u>
5 COST OF RAISING FUNDS				
	Direct costs	Support costs	Total	Total
	£	£	2017	2016
			£	£
Fundraising activities	<u>12,728</u>	<u>-</u>	<u>12,728</u>	<u>9,040</u>
All of the expenditure in 2016 and 2017 was unrestricted.				
6 COST OF CHARITABLE ACTIVITIES				
	Direct costs	Support costs	Total	Total
	£	£	2017	2016
			£	£
Support and advocacy to foreign nationals affected by the criminal justice and immigration systems	<u>626,862</u>	<u>140,842</u>	<u>767,704</u>	<u>602,277</u>
Of the £602,277 expenditure in 2016, £501,293 was charged to unrestricted funds and £100,984 was charged to restricted funds.				
7 ANALYSIS OF DIRECT COSTS				
	Raising funds	Charitable activities	Total	Total
	£	£	2017	2016
			£	£
Wages and salaries	12,728	471,926	484,654	400,270
Staff travel UK	-	39,005	39,005	29,567
Staff training and conferences	-	15,026	15,026	12,518
Overseas resettlement and travel	-	33,491	33,491	29,944
External consultancy	-	27,987	27,987	20,688
Other direct costs	-	39,427	39,427	23,342
	<u>12,728</u>	<u>626,862</u>	<u>639,590</u>	<u>516,329</u>
8 ANALYSIS OF SUPPORT COSTS				
			Total	Total
			2017	2016
			£	£
Office costs			74,339	45,800
Premises costs			59,625	41,420
Governance costs (note 9)			<u>6,878</u>	<u>7,768</u>
			<u>140,842</u>	<u>94,988</u>
9 GOVERNANCE COSTS				
			Total	Total
			2017	2016
			£	£
Audit fees			2,800	2,500
AGM/Annual review			3,951	4,865
Committee meetings			<u>127</u>	<u>403</u>
			<u>6,878</u>	<u>7,768</u>
10 TRUSTEE & MANAGEMENT COMMITTEE EXPENSES				
During the year there were no payments made to Trustees in respect of expenses or fees (2016: £nil)				

HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

11 STAFF COSTS

Total staff wages for the year excluding national insurance were £434,472 (2016: £365,422)

Total social security costs for the year were £40,644 (2016: £34,849)

The number of employees during the year based on full time equivalents was eighteen (2016: fourteen)

The total employment benefits received by key management was £ 150,439 (2016 - £ 136,800)

There were no employees with emoluments exceeding £60,000 (2016: none)

The charity operates a defined contribution pension scheme. Contributions during the year were £9,538. (2016 - £nil)

None of the Trustees or members of the Management Committee received any emoluments during the year. (2016: £nil)

12 Tangible Fixed Assets

	Office Equipment £
Cost	
At 1 April 2016	23,834
At 31 March 2017	23,834
Depreciation	
At 1 April 2016	23,834
At 31 March 2017	23,834
Net book value	
At 31 March 2017	-
At 31 March 2016	-

13 DEBTORS

	2017 £	2016 £
Rent deposit	6,278	3,260
Other debtors - voluntary income	10,000	10,000
Other debtors - contract income	211,743	139,738
Prepayments	1,496	2,945
	<u>229,517</u>	<u>155,943</u>

14 CASH AT BANK

	2017 £	2016 £
Bank current account	74,401	208,103
Bank deposit accounts	100,846	738
Cash in hand	4,388	916
	<u>179,615</u>	<u>209,757</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	33,996	30,255
Sundry creditors and accruals	10,236	12,898
Income in advance	10,440	35,275
	<u>54,672</u>	<u>78,428</u>

HIBISCUS INITIATIVES
(A Company limited by guarantee not having a share capital and a registered charity)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

16 OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
Due within:		
One year	73,000	19,594
One to five years	24,333	-
	<u>97,333</u>	<u>19,594</u>

At 31 March 2017 the company had annual commitments of £39,188 (2016: £39,188) for rent of premises under non-cancellable operating leases which expire within five years.

17 RESTRICTED FUNDS

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

	Balance at 1 Apr 16 £	Income £	Expenditure £	Balance at 31 Mar 17 £
The Bell Foundation	3,592	40,000	41,443	2,149
Awards 4 All	9,800	-	9,800	-
Big Lottery	-	93,850	64,288	29,562
City Bridge Trust	10,690	32,386	40,082	2,994
Esmee Fairbairn	9,124	20,715	30,165	(326)
Lloyds Foundation	12,386	-	10,280	2,106
Tudor Trust	-	25,000	25,000	-
The A B Charitable Trust	-	10,000	4,416	5,684
	<u>45,592</u>	<u>221,951</u>	<u>225,474</u>	<u>42,069</u>

18 UNRESTRICTED FUNDS

	Balance at 1 Apr 16 £	Income £	Expenditure £	Balance at 31 Mar 17 £
Unrestricted funds	91,680	625,669	559,958	157,391
Designated funds (Note 19)	150,000	-	5,000	155,000
	<u>241,680</u>	<u>625,669</u>	<u>564,958</u>	<u>312,391</u>

19 DESIGNATED FUNDS

The following funds have been set aside out of general funds by the Trustees.

	2017 £	2016 £
Contractual obligations and wind down costs	145,000	80,000
Training and professional development	-	15,000
Overseas study trips	-	15,000
Research and Development	-	15,000
Communication and PR	-	20,000
Exceptional need	10,000	5,000
	<u>155,000</u>	<u>150,000</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	Total £
General Fund	-	157,391	157,391
Designated Fund	-	155,000	155,000
Restricted Funds	-	42,069	42,069
	<u>-</u>	<u>354,460</u>	<u>354,460</u>

21 NOTES TO THE STATEMENT OF CASH FLOW

	2017 £	2016 £
Reconciliation of surplus to net cash		
Surplus for the year	67,188	124,072
(Increase)/decrease in debtors	(73,574)	(69,452)
(Decrease)/increase in creditors	(23,756)	(18,458)
Net cash (used in)/provided by operating activities	<u>(30,142)</u>	<u>36,162</u>
Cash and cash equivalents	<u>179,615</u>	<u>209,757</u>