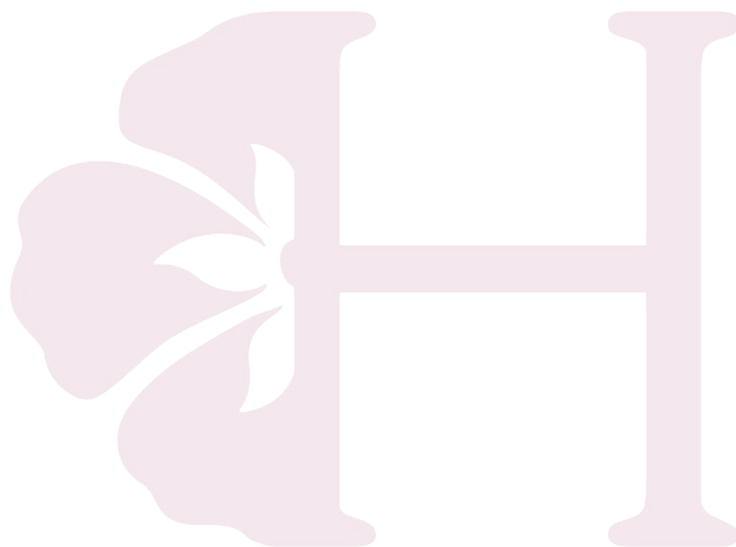




A Company limited by guarantee not having a share capital  
and a registered charity

TRUSTEES' REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR  
ENDED 31 MARCH 2021



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## LEGAL AND ADMINISTRATIVE INFORMATION

### Trustees

Rachel Youngman (Chair)  
Michael Greenwood (Treasurer)  
Elizabeth Hogarth (Resigned 16 November 2020)  
Anne Stephens (Resigned 27 October 2021)  
Sara Khan  
Margaret Crisell (Resigned 27 October 2021)  
Roz Morrison  
Erika Szasz  
Louise Swan  
Klara Skrivankova (Appointed 22 February 2021)  
Rosalyn Akar Grams (Appointed 22 February 2021)  
Anne Noreen Langton (Appointed 22 February 2021)  
Annette Kwan Man So (Appointed 22 February 2021)

### Chief Executive and Secretary

Marchu Girma

### 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 2021

The Trustees present their Report and Financial Statements for the year ended 31 March 2021. 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 companies exemptions provided by Section 415A of the Companies Act 2006.

### 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

To support and empower vulnerable Foreign Nationals (FNs), Black, Minority Ethnic and Refugees (BMER) primarily women who are affected by the criminal justice system and immigration restrictions

### Our Values

- ♦ **Social justice** - We are committed to social justice. We aim to impact positively on the lives of our clients
- ♦ **Integrity and Respect** - We work with integrity, respecting the diversity of our clients, to overcome inequality of access to social justice
- ♦ **Learning and Innovation** - We promote a culture of learning and innovation
- ♦ **Inclusivity** - We promote a culture of inclusivity for everyone in our organisation

### Our Goal 2022

We will be a stronger, client centred organisation excelling in the delivery of responsive, innovative services, working collaboratively and influencing policy and research in the UK and internationally.

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### 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.

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### Achievements and Performance

To improve efficiency and effectiveness we restructured our senior leadership team and departments. There are now two main service delivery departments providing support to our clients

- ♦ Community and Prison Services
- ♦ International Resettlement and Detention Services

Anti-trafficking work spans the entirety of our work. Volunteers and mentors complement and enhance our work across the organisation.

### Community & Prisons Services

#### Community Services to Women

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 the National Lottery Community Fund Women and Girls Initiative, Comic Relief, and the Esmée Fairbairn Foundation.

Due to the Covid-19 pandemic, our Women's Centre remained closed for the duration of the 2020-21 financial year. Staff continued individual casework and emotional support for clients remotely using a variety of communication channels. A programme of group and 1-1 activities, focusing on three overlapping strands of practical support, wellbeing and empowerment and agency, was delivered online using video technology.

Emergency Covid grants from a number of funders also allowed us to provide hardship grants to clients most in need of support, to assist with basic needs including food vouchers, clothes, baby and children's provisions, utility bills, and electronic devices and data top-ups to enable access to the internet. We continue to see a high level of need from women accessing casework support, with immigration decisions and Tribunals delayed due to Covid-19, and consequent impact on women's practical situations, mental and emotional health.

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.

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### Achievements and Performance

#### Community & Prisons Services

##### Westminster Magistrates Court Service

Funded by the National Probation Service, the project aimed to identify and support vulnerable migrant women appearing at Westminster Magistrates Court. Our skilled staff offer language and cultural support to women at court proceedings, and where possible post-sentence. The project was heavily impacted by Covid-19 and the introduction of virtual hearings, with our project workers unable to work from the Court building, and a dramatic decline in referrals partly due to a reduction in the numbers of migrant women appearing at the court. The project closed in March 2021.

##### Cultural Mediation Project

Our Cultural Mediation Project, funded by The Bell Foundation, focusses on work with Albanian survivors of trafficking, and aims to provide evidence for and establish the role of cultural mediators within the UK criminal justice and immigration systems. In March, we launched a new report highlighting the benefit of a cultural mediation approach to working with survivors of gender-based violence.

#### 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.

We currently continue to work in three prisons, HMP Bronzefield, HMP Peterborough and HMP Downview. The extended lockdown has been extremely difficult for women in prisons, with very little time out of cells or access to activities, no visits from family, and delays in access to support services. Hibiscus staff were unable to attend any prisons in person due to the Covid-19 restrictions for the majority of the year, but support has been provided remotely via phone, letter and using the 'email a prisoner' service, with support from the relevant staff lead in each prison. In HMP Peterborough the prison has facilitated free phone calls for foreign national women to call our project worker via a dedicated free PIN, this has proved very beneficial with a large number of calls received and many new clients engaged.

Funding secured from Comic Relief provided additional women-centred, trauma-informed support to clients affected by gender-based violence, this was delivered via information packs sent to women in prison since in-person workshops were not possible.

#### 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 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 for 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, our staff and ensuring we are understanding the complexities of returning and our partners internationally who have also been impacted.

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### Achievements and Performance

#### International Resettlement and Detention Services

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, the staff have worked tirelessly to ensure that women are getting the support they need on release, which has been heightened during lockdown. We are working closely with other agencies, so that the women have got a package of support upon release. We have faced difficulties with women being released at times, homeless and without funds to enable them to get the resources and food they have needed. 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.

In Heathrow, our caseload has been migrant ex-offenders who have been transferred from prisons and 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 support the women who are detained for short periods of time and especially those facing vulnerabilities.

Undocumented migrant cases have been supported with referrals to legal aid solicitors, understating 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 clients need to self-isolate on their return.

#### Specialist Support to Families Facing Forced Removal

Due to the pandemic the Gatwick Pre Departure Accommodation (PDA) has been closed, staff have been assisting with training new officers, including developing our training package with 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.

The team have been working hard to create a new resource package TCU booklet 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.



## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### Achievements and Performance

#### 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 centre and to those who have been released. During the last year, the centre has been repurposed at various times of the year and therefore SWS has had to change their ways 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-days' notice. This planning has helped ensure that a larger amount 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 updates 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.

The SWS has also been assisting with post release work, including those who are referred to our service prior to release. We have therefore been able to do direct support work to those released in the community, instead of referring to other support agencies for financial help with things such as mobile top-ups, social services, liaising with solicitors and Home Office regarding their cases.

We are also pleased to say that our SWS worker has passed her Independent Domestic Violence Advisor 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.

### Anti-Trafficking

We supported 151 clients with trafficking concerns.

#### Our anti-trafficking goal for 2024

We strive to contribute to the prevention of human trafficking across the globe and to be recognised nationally and internationally for our expertise and practical work with survivors by:

- ◆ Providing day-to-day practical support services for survivors of trafficking.
- ◆ Training all our staff on anti-trafficking so that we can always recognise and respond effectively to the needs of potential survivors.
- ◆ Researching and assisting others to research and promote anti-trafficking and the rights of survivors.
- ◆ Developing partnerships with organisations nationally and internationally to share good practices and promote prevention across the globe.

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### 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 £1,244,255 in 2019/2020 to £1,374,566 in 2020/2021 with increased grants and contracts for our work. Expenditure for the year was £1,357,929 an increase on the previous year's expenditure which was £1,163,054.

The total funds held at March 2021 were £685,550, of these £23,976 are restricted, £223,385 are designated, and general funds stand at £438,189 up from £416,839 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 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. Designated funds at March 2021 were £223,385 increased from £207,513 to meet the projected increased costs of contractual obligations and wind-down costs, increased CMS and IT upgrade costs and increased Exceptional need costs during Covid19. See note 19.

The Trustees have reviewed the income it is to receive in the year to 31 March 2022 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

Report of the Trustees for the year ended 31 March 2021

### Our Strategy - The 5 R's

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.

Over the next two years we will:

#### Recovery

- ◆ Recover from the impact of the pandemic on our clients, staff and programmes

#### Resilience

- ◆ Build the Resilience of the organisation

#### Recentre

- ◆ Recentre those with lived experience to partner with us for systems change

#### Reconnect

- ◆ Reconnect to our past and celebrate 35 years of making a difference

#### Reimagine

- ◆ Reimagine the future of Hibiscus, in our fight for justice and equality

#### Our work at the grassroots level encompasses three intervention methods:

- ◆ Our **Practical Support** workstream involves specialist casework and tailored support around housing, immigration, entitlements, and legal issues.
- ◆ Our **Wellbeing** workstream provides emotional, mental and psychosocial support, to enable clients to address the trauma they experienced.
- ◆ The new **Empowerment & Agency** workstream creates opportunities for clients to develop agency and empower themselves to change their lives and participate in opportunities to influence systemic change by using their voice and experience.
- ◆ This is supported by our **Influencing** department where we partner with the clients, to provide them the skills and expertise they need to develop as lived experience leaders. We create platforms where their voices can challenge inequalities and influence change

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### 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 Girma 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. We dedicated time on the Trustee recruitment, Hibiscus successfully appointed four new Board members who joined in February 2021.

The remuneration of the charity's key management personnel, the Chief Executive and senior leadership team, is set by the Board of Trustees, taking into account the charity's financial position and the amount paid for comparable roles in comparable organisations.

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### Structure, Governance and Management

#### 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)
- ◆ Elizabeth Hogarth (Resigned 16 November 2020)
- ◆ Roz Morrison
- ◆ Anne Stephens (Resigned 27 October 2021)
- ◆ Sara Khan
- ◆ Erika Szasz
- ◆ Margaret Crisell (Resigned 27 October 2021)
- ◆ Louise Swan
- ◆ Anne Noreen Langton (Appointed 22 February 2021)
- ◆ Klara Skrivankova (Appointed 22 February 2021)
- ◆ Rosalyn Akar Grams (Appointed 22 February 2021)
- ◆ Annette Kwan Man So (Appointed 22 February 2021)

## TRUSTEES' REPORT

Report of the Trustees for the year ended 31 March 2021

### Structure, Governance and Management

#### *Trustees' responsibilities statement*

The Trustees (who are also directors of Hibiscus Initiatives for the purposes of company law) 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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:

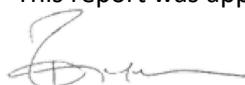
- ♦ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **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 30th November 2021 and 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)

## Opinion

We have audited the financial statements of Hibiscus Initiatives (the 'charitable company') for the year ended 31 March 2021 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 2021, 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

(A Company Limited by Guarantee and not having a share capital)

## 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

(A Company Limited by Guarantee and not having a share capital)

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](http://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

2021

## STATEMENT OF FINANCIAL ACTIVITIES

### INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

Company Number 04533442

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>						
Donations and grants	2	-	-	578,808	<b>578,808</b>	367,993
Charitable activities	3	795,662	-	-	<b>795,662</b>	875,993
Investments		96	-	-	<b>96</b>	269
<b>Total</b>		<b>795,758</b>	<b>-</b>	<b>578,808</b>	<b>1,374,566</b>	<b>1,244,255</b>
<b>Expenditure on:</b>						
Raising funds	5	18,849	-	-	<b>18,849</b>	16,276
Charitable activities	6	737,702	-	601,378	<b>1,339,080</b>	1,146,778
<b>Total</b>		<b>756,551</b>	<b>-</b>	<b>601,378</b>	<b>1,357,929</b>	<b>1,163,054</b>
<b>Net income/(expenditure)</b>	4	39,207	-	(22,570)	<b>16,637</b>	81,201
Transfers between funds	17/18	(17,857)	15,872	1,985	-	-
Net movement in funds		21,350	15,872	(20,585)	<b>16,637</b>	81,201
Total funds brought forward	17/18	416,839	207,513	44,561	<b>668,913</b>	587,712
<b>Total funds carried forward</b>	17/18	<b>438,189</b>	<b>223,385</b>	<b>23,976</b>	<b>685,550</b>	<b>668,913</b>

All income and expenditure is derived from continuing activities.

There were no recognised gains or losses for 2020 and 2021 other than those included in the Statement of Financial Activities.

The notes on pages 19 to 30 form part of these Financial Statements.

## BALANCE SHEET AS AT 31 MARCH 2021

Company Number 04533442

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed Assets</b>					
Tangible assets	12		-		-
<b>Current assets</b>					
Debtors	13	326,146		461,218	
Cash at bank and in hand	14	432,095		339,176	
		<b>758,241</b>		<b>800,394</b>	
<b>Creditors: amounts falling due within one year</b>	15	<b>72,691</b>		<b>131,481</b>	
Net current assets			<b>685,550</b>		668,913
<b>Net Assets</b>			<b>685,550</b>		<b>668,913</b>
<b>Income funds</b>					
Restricted funds	17		<b>23,976</b>		44,561
Unrestricted funds	18		<b>438,189</b>		416,839
Designated funds	19		<b>223,385</b>		207,513
<b>Total funds</b>	20		<b>685,550</b>		<b>668,913</b>

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 30th November 2021 and signed on its behalf by:



Rachel Youngman  
**Chair**



Michael Greenwood  
**Treasurer**

The notes on pages 19 to 30 form part of these Financial Statements.

## STATEMENT OF CASHFLOWS AS AT 31 MARCH 2021

Company Number 04533442

	Notes	2021 £	2020 £
Net cash provided by /(used in) operating activities	21	92,919	(14,498)
Cash and cash equivalents			
At 1 April		339,176	353,674
At 31 March		432,095	339,176

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 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 2021

### 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 2021

### 2 DONATIONS AND GRANTS

Grant and donation income was received from the following sources:

	2021	2020
<b>Restricted grants:</b>		
Big Lottery	150,000	150,000
The Bell Foundation	-	55,000
NPS	40,000	20,000
Esmee Fairbairn	10,873	21,573
Diversion	19,644	10,349
Comic Relief	37,250	62,527
Advance and Women in Prison (Pan London)	45,000	43,944
Trust 4 London	9,200	4,600
The A B Charitable Trust	15,000	-
COVID 19 grants	251,841	-
<b>Total restricted grants</b>	<b>578,808</b>	<b>367,993</b>
<b>Restricted donations</b>	<b>-</b>	<b>-</b>
<b>Unrestricted donations</b>	<b>-</b>	<b>-</b>
<b>Total grants/donations</b>	<b>578,808</b>	<b>367,993</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 3 INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
<b>Contract income receivable</b>		
G4S	220,338	216,262
SERCO	57,120	57,120
MOPAC	-	60,000
COMMONWEAL Housing Ltd	-	10,000
Home Office	515,722	529,933
	<b>793,180</b>	<b>873,315</b>
Other income	2,482	2,678
<b>Total income from charitable activities</b>	<b>795,662</b>	<b>875,993</b>

All income from charitable activities recognised in 2020 and 2021 was unrestricted.

### 4 NET INCOME (expenditure)

	2021 £	2020 £
<b>Operating surplus is stated after charging</b>		
Auditor's fee	2,900	2,520
Operating leases	109,380	64,614

### 5 COST OF RAISING FUNDS

	Direct costs	Support costs	2021 £	2020 £
Fundraising activities	18,849	-	18,849	16,276

All of the expenditure recognised in 2020 and 2021 was unrestricted.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 6 COST OF CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total 2021 £	Total 2020 £
Support and advocacy to foreign nationals affected by the criminal justice and immigration systems	1,118,931	220,149	<b>1,339,080</b>	1,146,778

Of the £1,146,778 expenditure recognised in 2020, £777,601 was charged to unrestricted funds and £369,177 was charged to restricted funds,

### 7 ANALYSIS OF DIRECT COSTS

	Raising funds £	Charitable activities £	2021 £	2020 £
Wages and salaries	18,849	799,632	<b>818,481</b>	705,452
Staff travel UK	-	4,257	<b>4,257</b>	39,270
Staff training and conferences	-	33,613	<b>33,613</b>	7,341
Overseas resettlement and travel	-	8,796	<b>8,796</b>	57,489
External consultancy	-	60,671	<b>60,671</b>	79,846
COVID 19 support and hardship grants	-	128,415	<b>128,415</b>	-
Recruitment	-	42,925	<b>42,925</b>	-
Other direct costs	-	40,622	<b>40,622</b>	74,863
	18,849	1,118,931	<b>1,137,780</b>	964,261

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 8 ANALYSIS OF SUPPORT COSTS

	2021 £	2020 £
Office costs	101,002	76,118
Premises costs	112,527	117,175
Governance costs (note 9)	6,620	5,500
	220,149	198,793

### 9 GOVERNANCE COSTS

	2021 £	2020 £
Audit fees	2,900	2,520
AGM/Annual review	2,640	2,980
Trustee training/membership	1,080	-
	6,620	5,500

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 10 TRUSTEE AND BOARD MEMBER EXPENSES

During the year there were no payments made to Trustees in respect of expenses or fees (2020: £nil).

### 11 STAFF COSTS

Total staff wages for the year excluding national insurance was £714,568 (2020: £602,229).

Total social security costs for the year were £62,306 (2020: £50,381).

The charity operates a defined contribution pension scheme. Contributions during the year were £41,607 (2020: £52,842).

The average number of employees during the year was 26 (2020: 24).

The total employment benefits received by key management was £188,033 (2020: £166,768). Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance and employer pension costs.

There were no employees with emoluments exceeding £60,000 (2020: None).

No employee received monies by way of compensation for termination of employment (2020: £9,450).

None of the Trustees or members of the Board received any emoluments during the year (2020: £nil).

### 12 TANGIBLE FIXED ASSETS

	Office equipment £
<b>Cost</b>	
At 1 April 2020	23,834
At 31 March 2021	23,834
<b>Depreciation</b>	
At 1 April 2020	23,834
At 31 March 2021	23,834
<b>Net book value</b>	
At 31 March 2020	-
At 31 March 2021	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 13 DEBTORS

	2021 £	2020 £
Rent deposit	8,782	8,782
Other debtors—voluntary income	-	1,000
Other debtors—contract income	309,303	446,530
Pre-payments	8,061	4,906
	<b>326,146</b>	<b>461,218</b>

### 14 CASH AT BANK

	2021 £	2020 £
Bank current account	211,893	120,659
Bank deposit accounts	212,896	212,813
Cash in hand	7,306	5,704
	<b>432,095</b>	<b>339,176</b>

### 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	56,285	37,228
Sundry creditors and accruals	11,806	26,496
Deferred income (see below)	4,600	67,757
	<b>72,691</b>	<b>131,481</b>

	Balance Bought Forward	Additions In Year	Released To Income	Balance Carried
<b>Deferred income</b>				
Grants and Donations	£67,757	£4,600	£(67,757)	£4,600

Deferred income reflects grant income received in advance of the following financial year, to be expended in accordance with specified or implied timeframes and agreed budgets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 16 OPERATING LEASE COMMITMENTS

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

Due within:

	2021 £	2020 £
One year	28,527	32,854
One to five years	-	-
	<b>28,527</b>	<b>32,854</b>

At 31 March 2021 the company had annual commitments of £28,527 (2020: £32,854) for rent of premises under non-cancellable operating leases which expire in July 2023.

### 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:

At 31 March 2021		Balance at 1 April 2020 £	Income £	Expenditure £	Transfers between funds	Balance 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	-	<b>4,384</b>
National Lottery	COVID 19	-	40,000	37,858	-	<b>2,142</b>
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,	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	-	<b>3,018</b>
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	-	<b>14,432</b>
Diversion	Community Services to Women	-	19,644	19,644	-	-
The A B Charitable Trust	Community Services to Women	-	15,000	15,075	75	-
		<b>44,561</b>	<b>578,808</b>	<b>601,378</b>	<b>1,985</b>	<b>23,976</b>

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

### 17 RESTRICTED FUNDS continued

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 April 2019 £	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2020 £
<b>At 31 March 2020</b>						
The Bell Foundation	Anti Trafficking	1,386	55,000	36,890	-	<b>19,496</b>
Big Lottery	Community Services to Women	19,991	150,000	158,337	-	<b>11,654</b>
Comic Relief	Specialist Advocacy and Advice Services	4,572	62,527	66,682	-	<b>417</b>
Esmee Fairbairn	Community Services to Women	(40)	21,573	21,663	-	<b>(130)</b>
NPS	Community Services to Women, Court	-	20,000	17,932	-	<b>2,068</b>
Peoples Postcode	Community Services to Women	12,512	-	11,339	-	<b>1,173</b>
Pan London	Community Services to Women	3,175	43,944	38,200	-	<b>8,919</b>
Trust 4 London	Community Services to Women	-	4,600	3,636	-	<b>964</b>
The A B Charitable Trust	Community Services to Women	3,439	-	3,509	70	-
Diversion	Community Services to Women	-	10,349	10,989	640	-
		<b>45,035</b>	<b>367,993</b>	<b>369,177</b>	<b>710</b>	<b>44,561</b>

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 2021

### 18 UNRESTRICTED FUNDS

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2021 £
<b>At 31 March 2021</b>					
Unrestricted funds	416,839	795,758	756,551	(17,857)	<b>438,189</b>
Designated funds (note 19)	207,513	-	-	15,872	<b>223,385</b>
	624,352	795,758	756,551	(1,985)	<b>661,574</b>
	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers between funds	Balance at 31 March 2020 £
<b>At 31 March 2020</b>					
Unrestricted funds	367,677	876,262	793,877	(33,223)	<b>416,839</b>
Designated funds (note 19)	175,000	-	-	32,513	<b>207,513</b>
	542,677	876,262	793,877	(710)	<b>624,352</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 19 DESIGNATED FUNDS

	Balance At 1 April 2020 £	Transfers £	Balance At 31 March 2021 £
The following funds have been set aside out of general funds by the Trustees:			
Contractual obligations and wind-down costs	177,513	10,872	188,385
Website Upgrades/Staff Training	15,000	5,000	20,000
Exceptional need	15,000	-	15,000
	207,513	15,872	223,385

### 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021	Unrestricted Funds	Restricted Funds	Total £
Current assets	734,265	23,976	758,241
Current liabilities	(72,691)	-	(72,691)
As at 31 March 2021	661,574	23,976	685,550
2020	Unrestricted Funds £	Restricted Funds £	Total £
Current assets	755,833	44,561	800,394
Current liabilities	(131,481)	-	(131,481)
As at 31 March 2020	624,352	44,561	668,913

### 21 NOTES TO THE STATEMENT OF CASHFLOWS

	2021 £	2020 £
<b>Reconciliation of surplus to net cash</b>		
Surplus for the year	16,637	81,201
(Increase)/decrease in debtors	135,072	(145,649)
(Decrease)/increase in creditors	(58,790)	49,950
<b>Net cash provided by/(used in) operating activities</b>	<b>92,919</b>	<b>(14,498)</b>



