

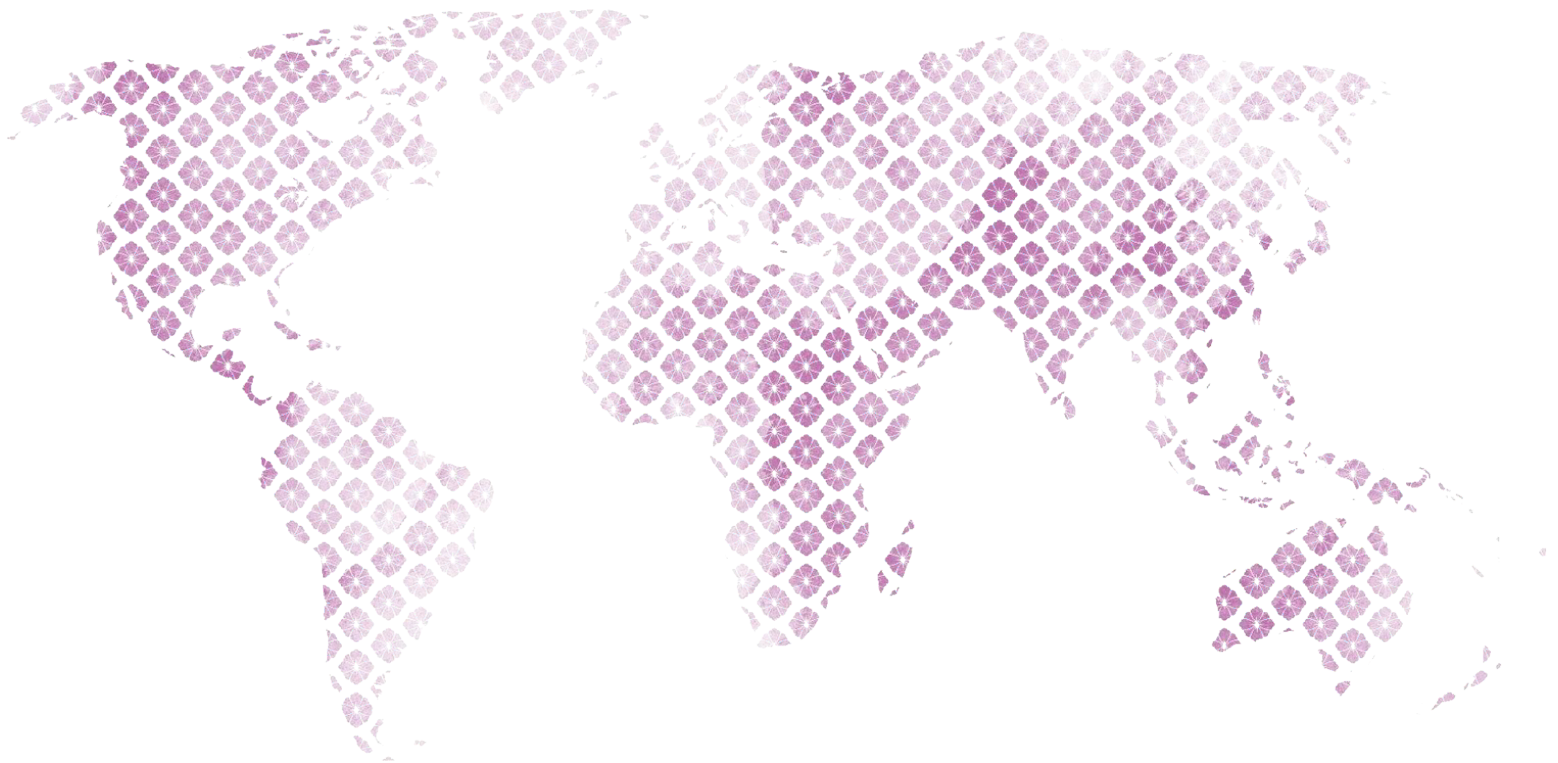
The logo consists of a solid purple rectangle. Inside the rectangle, the word "Hibiscus" is written in a gold-colored, serif typeface.

Hibiscus

Charity Registration No. 01104094
Company Registration No. 04533442 (England and Wales)

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

TRUSTEES' REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023



CONTENTS

Legal and Administrative Information	1
Trustees' Report	2
Independent Auditor's Report	12
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cashflows	17
Notes to the Financial Activities	18

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Rosalyn Akar Grams (Co-chair)
Annette Man Kwan So (Co-chair)
Michael Greenwood (Treasurer)
Anne Noreen Langton
Sara Khan
Roz Morrison
Louise Swan
Klara Skrivankova
Rachel Youngman (resigned 30.05.2023)

Chief Executive

Baljit Banga (appointed 02.10.2023)
Marchu Belete (resigned 02.06.2023)
Kate Shurety (Interim CEO from 27.10.2022 – 13.10.2023)

Secretary

Mufeedah Bustin

Charity number

01104094

Company number

04533442

Principal address and registered office 356 Holloway Road
London N7 6PA

Accountants

MYKE Accountants Ltd
130 Balmoral Drive
Borehamwood
Hertfordshire WD6 2QT

Auditors

Myrus Smith Chartered Accountants
Norman House
8 Burnell Road Sutton
Surrey SM1 4BW

The Trustees present their Report and Financial Statements for the year ended 31 March 2023.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", Charities Act 2011, Companies Act 2006 and UK Generally Accepted Accounting Practice. In preparing this report, the Trustees have taken advantage of the small company's exemptions provided by Section 415A of the Companies Act 2006.

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 those who identify as women, who have been affected by criminal and social justice issues;
- ❖ advance public education about such persons;
- ❖ undertake any other charitable objective

Our Vision

To build a fair and just society where inequalities are eliminated from the criminal justice and immigration systems.

Our Mission

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

- ❖ provide advocacy, support and specialist services to marginalised, vulnerable foreign national and BMER women and men
- ❖ enable informed choices
- ❖ promote social justice and respect
- ❖ support positive relationships, health and mental wellbeing
- ❖ reduce inequalities
- ❖ prioritise the importance of being a proactively anti-racist organisation with an anti-racism strategy
- ❖ influence change to make the criminal justice and immigration systems fairer

Our Values

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

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 the following strands:

- ❖ **Community and Criminal Justice**
 - o Specialist Advocacy and Advice Services to Women in the Community and Prisons
 - o WrapAround
 - o Housing and Through the Gate support
 - o Courts Project
 - o Protea Clinic
- ❖ **International Resettlement and Detention Services**
 - o Specialist Welfare Support to Women in Detention
 - o Specialist Support to Families Facing Forced Removal
 - o Support for Women and Men Voluntarily Returning to Home Countries
- ❖ **Policy and Public Affairs**
 - o Influencing of policy and public perception
 - o Double Disadvantage
 - o Heritage Project
 - o Cultural Mediation training and research
 - o 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 activities are considered by the trustees to be in the public benefit.

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

Achievements and Performance

Community & Prisons Services

Our community and prisons 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 London. Funding for the team comes from a number of sources including Esmée Fairbairn, National Lottery Reaching Communities Fund, A B Charitable, The Goldsmiths' Company and The Oak Foundation.

The Women's Centre hired a new Head of the Centre in December 2022. Activities are running throughout the week, with attendance comparable to pre-pandemic numbers. A number of new Project Workers have been recruited since January 2023, allowing corresponding casework to have gradually increased through the year as women returned to our centre and were re-assigned one-to-one Project Workers.

Alongside individual casework, practical and emotional support, we delivered a comprehensive programme of group and 1-1 activities, focusing on three overlapping strands of practical support, wellbeing and empowerment and agency. Highlights included special events for Refugee Week, World Day against Trafficking, Black History Month, the Women's Centre Christmas party, and International Women's Day.

We continue to see a high level of need from women accessing casework support, with continued delays to immigration decisions, tribunals, and criminal justice proceedings, and consequent impact on women's practical situations, mental and emotional health. The increase in hostile rhetoric from the UK government surrounding migrants is resulting in victims of trafficking being left unprotected and their right to asylum and NRM applications under threat. Lack of suitable housing, financial destitution made worse by the rising cost of living, difficulties accessing legal support and mental health treatment are all key areas of concern.

Our Community and Prison 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 the 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. We ended our involvement with this project in September 2022.

Specialist Advocacy and Advice Services to Women in Prisons

We currently continue to work in three prisons, HMP Bronzefield, HMP Peterborough and HMP Downview. Hibiscus have engaged two new members of staff and will continue to visit each prison weekly, to provide in-person advice, workshops, advocacy and emotional support to foreign national women. In HMP Peterborough, the prison has continued to facilitate a free phone line 1 day/week to provide additional support, which has proved very beneficial with a large number of calls and many new clients engaged.

Protea Clinic

In partnership with law students at King's College, London, Hibiscus has been able to offer clients access to a legal advice clinic held in our Women's Centre.

International Resettlement and Detention Services

We have been providing services to women and men in Yarl's Wood, Derwentside and Heathrow centres. We continue to note that clients we support in detention frequently have complex histories and relationships, and while detained, are often facing mental, social and legal crises. We offer person-centred, emotional, and practical support, as well as tailored resettlement planning, ensuring clients are aware of their options and their rights.

Our positive working relationships with other stakeholder organisations in the UK, and with a broad range of reputable international partners, enables us to refer or signpost clients to the most appropriate specialist support available to them, both whilst detained and on international return to their country of passport. Common areas of support include those facing gender-based violence, safe accommodation, re-establishing contact with families, LGBTQAI+ support, intervention, and action on behalf of trafficking victims. We support individuals should they wish to engage with solicitors to submit asylum claims or challenge decisions through judicial reviews. In the last year we continued to see clients needing financial support once they return, since they face enormous challenges in securing work.

During the year, our International Resettlement team visited Ghana. We met with NGOs in order to develop closer working relationships and expand our knowledge of support available to our clients. We also met with previous clients which informed our understanding of their lived experience as well as the impact of our work.

In addition to resettlement, we also provide other services in the detention estates.

Specialist Welfare Support to Women in Detention

We have provided specialist welfare support to women in Yarl's Wood, Heathrow and Derwentside. Hibiscus provides in-person workshops for the women, as well as activities and celebrations including [events for Refugee Week](#) and International Women's Day. Emotional and psychological support continues to be at the forefront of our focus of support offered. Finding legal representation for women in detention, investigating free study courses, and ensuring that basic needs are met, such as food, clothing, accommodation and enhancing their support network, are among the areas of support Hibiscus has been able to provide. We have also found that our engagements and professional relationships with internal and external partnership agencies have strengthened during the last year which we hope will develop even further to best support our clients.

Specialist Support to Families Facing Forced Removal

This year has seen the reopening of the Gatwick PDA. Hibiscus was able to work with one family in 2023, with several preparatory periods for expected family departures. Since January 2023 Hibiscus has delivered presentations for new officers at Gatwick, presenting our services to new officers during their Initial Training Course (ITC) and developing our training package for staff within the centres. We have also been working on updating policies, procedures and feedback to ensure the best outcomes for the families. PDA staff have been updating the leaflets and partnership work, ensuring collaboration and accurate information is available.

Policy and Public Affairs

Our Policy and Public Affairs team influences policy change by putting the lived experience of migrant women at the heart of policy work to make the criminal justice and immigration systems fairer. This is achieved through increasing awareness amongst policy and decision makers by publishing reports that showcase migrant women's stories and sharing data collected from our service delivery to inform policy change.

Working with our allies and migrant women we will improve the policy and practices affecting our clients, both highlighting issues in the UK and internationally. Our work focuses on the following four issues:

- ❖ Reducing homelessness and poverty amongst migrant women
- ❖ Better recognition and care for survivors of trafficking
- ❖ Addressing racial inequalities in the criminal justice and immigration systems
- ❖ Reducing imprisonment and detention of migrant women

Hibiscus provides communication platforms for migrant women with lived experience of the criminal justice and immigration systems to be heard in the media. We will work to ensure honest, accurate, representative coverage in the media about the experiences of migrant women.

Our three main objectives in this area are:

- ❖ We will build the confidence and communication skills of migrant women to enable them to share their stories and raise awareness.
- ❖ We will increase the visibility of Hibiscus as a leading organisation working to provide services to marginalised migrant women.
- ❖ We will grow our communication platforms and create more opportunities for migrant women to share their stories and reach different audiences, to increase the number of stories in the public domain about the lives of migrant women in the UK.

Cultural Mediation Project

Our Cultural Mediation Project is funded by The Bell Foundation and focuses on working with survivors of trafficking to provide evidence to establish the role of cultural mediators within the UK criminal justice and immigration systems. Our primary activities include the provision of training on cultural mediation to external organisations with subsequent review of their feedback to improve the existing materials. The project has also sought to engage with clients by designing and delivering a tailored training programme to enhance their skills and become cultural mediators.

Training on cultural mediation awareness and good practices was delivered to the external organisation Women in Prison (WIP), an organisation that works to support women affected by the Criminal Justice System. The training covered WIP staff members including frontline workers, advisory professionals, policy and Monitoring & Evaluation staff, administrative assistants, coordinators, and senior managers. This training was successful in raising awareness of how key the provision of cultural mediation is for women survivors of trafficking and how it helps them access support and start a recovery path.

A tailor-made training course has been designed for survivors of trafficking and gender-based violence to become cultural mediators. This training has been face-to face, and so far, 9 women have participated. Module one was delivered with the goal for women to understand the role of a cultural mediator and the skills required. The second module was delivered in October 2022, and the women learned to communicate and translate between people with cultural and linguistic needs. Women are using their own experiences to understand and control the process of cultural mediation and a total of 8 women with lived experience completed their training in full during this period, with a further 6 women participating in and completing the training between January to April 2023.

Anti-Trafficking

The Anti-trafficking Steering Group (ATSG) was set-up in order to ensure that the different departments at Hibiscus work together and coordinate their response against Human Trafficking. Funded by Trust for London, the group continues to work towards the following 5 lines of action:

- ❖ Providing a specialised service;
- ❖ Professional partnerships;
- ❖ Enhance knowledge;
- ❖ Advocate for change;
- ❖ Centring women's voices

The ATSG has updated their training for new Hibiscus staff and externally led training which serves as an introduction and reference for working with clients who have experiences of trafficking. Through Hibiscus' IOM funding to conduct research on the experiences of survivors of trafficking in the Criminal Justice System, the Policy Team has produced a six-episode podcast with clients to tell their stories and create their own narrative, contributing to the conversation around experiences of the National Referral Mechanism (NRM). The podcast was launched in Spring 2023, following the collation of women's experiences and stories.

Double Disadvantage action plan

Our work on "Double Disadvantage" in the criminal justice system has been funded by Barrow Cadbury Trust and Lloyds Banking Foundation. Over two years, we have worked with our partners (Muslim Women in Prison, Zahed Mubarek Trust, Criminal Justice Alliance, Agenda Alliance and Women in Prison) to produce a 10-point action plan which has been updated on progress after 12 months. We recently undertook a strategy day with partners to consider next steps and participated in a Westminster debate on the inequalities faced by Black, Asian, minoritized and migrant women in contact with the criminal justice systems.

Heritage Project

Our Heritage Project, funded by the Heritage Lottery Fund, focuses on the history of Hibiscus and the experience of Black and migrant women in the UK over the past 35 years. The project has supported our clients with training in order to share their lived experience and run activities and workshops to encourage others to share their experiences too. Drawing on our own archives, the project also includes a reflection of the work of Hibiscus over 35 years and how the criminal justice system has changed with Hibiscus' influence.

Financial Review

The Trustees consider that the main risk the charity faces is not being able to raise sufficient funds to continue providing its core services. The fundraising programme is continually reviewed and the Trustees are very aware of the necessity to ensure that the charity has sufficient reserves. The Trustees have also examined other operational and business risks faced by the charity and can confirm that suitable measures have been taken, wherever possible, to mitigate any significant risks. The Finance & Compliance Sub -Committee review and update the risk register on a quarterly basis and report to the Board. Our funders are as listed in notes 2 and 3 to the accounts.

Income increased from £1,442,861 in 2021/2022 to £1,728,015 in 2022/2023 with increased grants and contracts for our work. Expenditure for the year was £1,603,654, an increase on the previous year's expenditure which was £1,392,539.

The total funds held at 31st March 2023 were £860,233 of these £53,766 are restricted, £203,385 are designated, and general funds stand at £603,082 up from £507,692 in the previous year.

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

Trustees have reviewed and re-designated reserves to set aside funds to meet financial obligations to employees and others in the unlikely event of the charity ceasing to exist. Other funds are set aside to meet potential costs outside the annual budget.

Designated funds at March 2023 were unchanged at £203,385 and meet the projected increased costs of contractual obligations and wind-down costs

TRUSTEES' REPORT

Our Strategy

From 2023 – 2028 Hibiscus is focusing our work on our five-year strategy to ensure that we become a more impact-led, trauma informed, anti-racist and client-centred organisation.

Theory of Change

Forming from our Theory of Change, our five-year strategy will focus on four key areas of work:

❖ **Personal/Lived Experience:**

We will continue to work directly with marginalised migrant women at every point in the criminal justice and immigration systems, to provide emotional and practical support and to enable them to influence change.

❖ **Practice**

We will work with institutions within the criminal justice and immigration systems as well as with stakeholders and other NGO partners, to help improve understanding, service provision and support to create fairer practices. By identifying victims of trafficking and influencing the treatment of marginalised women through advocacy, training, tools and resource, we influence institutions and staff to understand the needs of migrant women and implement better, fairer practices.

❖ **Policy**

We will work collaboratively with other organisations to campaign for policy change. Hibiscus will provide evidence and amplify the voice of migrant women themselves to influence policy and practice. We will provide a platform for marginalised migrant women with experience of the criminal justice and immigration systems to influence policy and practice. In turn, policy and decision makers will better understand the experiences of marginalised migrant women and implement fairer, more humane policies.

❖ **Public opinion**

We will provide communication platforms for migrant women with lived experience of the criminal justice and immigration systems to be heard in the media. We will work to ensure honest, accurate, representative coverage in the media about the experiences of migrant women. We will highlight injustice and rebalance the narrative around migrant women by getting the stories and voices of women themselves into the media.

TRUSTEES' REPORT

Structure, Governance and Management

Hibiscus Initiatives is a company limited by guarantee without share capital incorporated on 12 September 2002 and registered with the Charity Commission on 2 June 2004 as a charity. Its governing rules are its Memorandum and Articles of Association.

Prior to its incorporation the charity had operated since 1986 as an unincorporated charity under the name Female Prisoners Welfare Project. On incorporation it became FPWP Hibiscus Limited and changed its name to Hibiscus Initiatives by special resolution on the 9th September 2013. The Articles of Association were reviewed and updated during 2014 and formally adopted in October 2014.

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

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

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

The Board of Trustees and Directors of the Company

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

The directors of the charitable company are its trustees for the purposes of charity law.

The Trustees who have served during the year and since the year end were as follows:

- ❖ Rosalyn Akar Grams (Co-Chair, appointed May 2023)
- ❖ Annette Man Kwan So (Co-Chair, appointed May 2023)
- ❖ Rachel Youngman (Chair) (resigned May 2023)
- ❖ Michael Greenwood (Treasurer)
- ❖ Sara Khan
- ❖ Anne Noreen Langton
- ❖ Roz Morrison
- ❖ Louise Swan
- ❖ Klara Skrivankova

Trustees' responsibilities statement

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

Company law requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

- ❖ select suitable accounting policies and then apply them consistently;
- ❖ observe the methods and principles in the Charities SORP 2019 (FRS 102);
- ❖ make judgements and estimates that are reasonable and prudent;
- ❖ state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the Financial Statements;
- ❖ prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

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

Auditors


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

Approval

This report was approved by the Trustees on 27th November 2023 and signed on their behalf, by:

A handwritten signature in dark ink, appearing to read "Rosalyn", written over a light blue horizontal line.

Rosalyn Akar Grams
Co-Chair

A handwritten signature in dark ink, appearing to read "Annette", written over a light blue horizontal line.

Annette Man Kwan So
Co-Chair

Independent Auditor's Report to the Members of Hibiscus Initiatives

Opinion

We have audited the financial statements of Hibiscus Initiatives (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including 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 2023, 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 other information comprises the information included in the trustees report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

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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 the 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 set out on page 11, 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

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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 extent to which our procedures 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; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- 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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

2023

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

STATEMENT OF FINANCIAL ACTIVITIES

Income And Expenditure Account for The Year Ended 31 March 2023

	Notes	Unrestricted funds (£)	Designated fund (£)	Restricted funds (£)	Total 2023 (£)	Total 2022 (£)
Income from: -						
Donations and Grants	2	22,550	-	564,426	586,976	506,329
Charitable activity	3	1,139,106	-	-	1,139,106	936,499
Investment		1,934	-	-	1,934	33
Total		1,163,590	-	564,426	1,728,016	1,442,861
Expenditure on:						
Raising funds	5	11,416	-	-	11,416	21,770
Charitable activity	6	1,056,783	-	535,455	1,592,238	1,370,769
Total		1,068,199	-	535,455	1,603,654	1,392,539
Net Income/ (expenditure)		95,391	-	28,971	124,362	50,322
Transfer between funds		-	-	-	-	-
Net movement in funds		-	-	-	-	50,322
Total Funds brought forward	16/17	507,692	203,385	24,795	735,872	685,550
Total funds carried forward		£603,083	£203,385	£53,766	£860,234	£735,872

All income and expenditure is derived from continuing activities.

There were no recognised gains or losses for 2022 and 2023 other than those included in the Statement of Financial Activities.

The notes on pages 18 to 27 form part of these Financial Statements.

BALANCE SHEET AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Fixed Assets			
Tangible Assets		-	-
Current Assets			
Debtors	12	348,066	467,738
Cash at bank and in hand	13	<u>830,107</u>	<u>480,715</u>
		1,178,173	948,453
Creditors: amounts falling due within one year	14	<u>317,939</u>	<u>212,581</u>
Net current Assets		860,234	735,872
Net Assets		<u>£860,234</u>	<u>£735,872</u>
Income funds			
Restricted funds	16	53,766	24,795
Unrestricted funds	17	603,083	507,692
Designated funds	17	203,385	203,385
Total funds		<u>£860,234</u>	<u>£735,872</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 27th November 2023 and signed on its behalf by:



Rosalyn Akar Grams
Co-Chair



Michael Greenwood
Treasurer

The notes on pages 18 to 27 form part of these Financial Statements.

STATEMENT OF CASHFLOWS AS AT 31 MARCH 2023

	Notes	2023 (£)	2022 (£)
Net cash provided by /(used in) operating activities			
Cash and cash equivalents	20	349,392	48,620
Cash and cash equivalents At 1 April		480,715	432,095
At 31 March		£830,107	£480,715

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

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.

2. DONATIONS AND GRANTS

Grant and donation income was received from the following sources:

	2023 £	2022 £
Restricted grants:		
National Lottery -Women and Girls	113,976	75,000
The Bell Foundation	42,734	45,833
Esmee Fairbairn	100,000	50,000
Diversion	-	19,644
Advance and Women in Prison (Pan London)	67,583	66,250
Trust for London	26,869	21,732
Barrow Cadbury Trust	25,000	25,000
Justice Together	50,000	33,333
Paul Hamlyn	40,600	23,100
Ministry of justice (MOPAC DIVERSION)	9,822	99,658
COVID 19 grants	-	42,300
Lloyds Bank Foundation	4,000	-
Oak Foundation	7,252	-
MOJ - Core /Women's Centre	14,296	-
Forward Trust	26,925	-
National Heritage	35,369	-
Total restricted grants	£564,426	£501,850
Restricted donations	-	-
Unrestricted donations	22,550	4,479
Total grants/donations	£586,976	£506,329

3. INCOME FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Contract income receivable		
SERCO Gatwick	220,582	220,582
SERCO SWS	57,120	57,120
MITIE	85,194	38,998
Home Office	678,270	609,074
	1,041,167	925,774
Other income	97,938	10,725
Total income from charitable activities	£1,139,106	£936,499

All of the expenditure recognised in 2022 and 2023 was unrestricted.

4 NET INCOME/ EXPENDITURE

	2023 £	2022 £
Operating surplus is stated after charging:		
Auditor's fee	£3,000	£2,020

5 COST OF RAISING FUNDS

	Direct Costs	Support Costs	2023 £	2022 £
Fundraising activities	11,416	-	11,416	21,770

All of the expenditure recognised in 2022 and 2023 was unrestricted.

6 COST OF CHARITABLE ACTIVITIES

	Direct Costs	Support Costs	2023	2022
Support and advocacy to foreign nationals affected by the criminal justice and immigration systems	£1,368,498	£223,740	£1,592,238	£1,370,769

Of the £1,370,769 expenditure recognised in 2022, £869,106 was charged to unrestricted funds and £501,663 was charged to restricted funds.

7 ANALYSIS OF DIRECT COSTS

	Raising Funds £	Charitable Activity £	2023 £	2022 £
Wages and salaries	11,416	1,027,007	1,038,423	857,721
Staff travel UK	-	65,426	65,426	42,295
Staff training and conferences	-	29,854	29,854	7,137
Overseas resettlement and travel	-	69,940	69,940	56,371
External consultancy	-	86,546	86,546	113,201
COVID 19 support	-	15	15	15,769
Recruitment	-	23,240	23,240	13,071
Other direct costs	-	66,470	66,470	63,509
	£11,416	£1,368,498	£1,379,914	£1,169,074

8 ANALYSIS OF SUPPORT COSTS

	Charitable Activity	2023	2022
	£	£	£
Office cost	119,924	119,924	126,446
Premises Costs	100,661	100,661	92,494
Governance cost	3,155	3,155	4,525
	£223,740	£223,740	£223,465

9 GOVERNANCE COSTS

	2023	2022
	£	£
Audit fees	3,000	2,020
AGM/Annual review	155	1,320
Trustee training/membership	-	1,185
	£3,155	£4,525

10 TRUSTEE AND BOARD MEMBER EXPENSES

During the year there were payments made to Trustees of £250 in respect of expenses (2022: £nil).

11 STAFF COSTS

Total staff wages for the year excluding national insurance & pension were £879,315 (2022: £772,863).

Total social security costs for the year were £83,875 (2022: £69,431).

The average number of employees during the year was 29 (2022: 26). The total employment benefits received by key management was £227,792 (2022: £252,576).

There was no employee with emoluments between £60,000 and £69,999 (2022: none).

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

The charity operates a defined contribution pension scheme. Contributions during the year were £18,172 (2022: £15,427).

None of the Trustees or members of the Board received any emoluments during the year (2022: £nil). Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance and employer pension Costs.

12 DEBTORS

	2023	2022
	£	£
Rent Deposit	7,866	7,866
Debtors / contract Income	321,683	450,576
Pre-payments	18,517	9,296
	£348,066	£467,738

13 CASH AT BANK

	2023	2022
	£	£
Bank Current account	525,204	276,268
Bank Deposit Account	289,485	198,046
Cash in Hand	15,418	6,401
	£830,107	£480,715

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade Creditors	38,597	88,581
Sundry Creditors and Accruals	11,831	7,500
Income in Advance	267,511	116,500
	£317,939	£212,581

15 OPERATING LEASE COMMITMENTS

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

	2023	2022
	£	£
Due within:		
One year	24,590	47,442
One to five years	-	-
	£24,590	£47,442

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

16 RESTRICTED FUNDS

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

At 31 March 2023	Balance at 01-Apr-22	Income	Expenditure	Transfer between Funds	Balance at 31-Mar-23
	£	£	£	£	£
Bell	8,705	42,734	48,132	-	3,308
Barrow Cadbury	(289)	25,000	18,814	-	5,897
Justice Together	6,118	50,000	48,836	-	7,282
Forward Trust	-	26,925	20,256	-	6,669
National Heritage	-	35,369	33,386	-	1,983
Esmee Fairbairn	736	100,000	80,339	-	20,397
MOPAC DIVERSION	(20)	9,822	9,802	-	-
Womens Centre- National Lottery	-	113,976	105,746	-	8,230
Pan London/Advance Wraparound	8,990	67,583	76,573	-	-
Trust for London	1,013	26,869	27,882	-	-
Oak Foundation	-	7,252	7,252	-	-
Lloyds Bank Foundation	-	4,000	4,000	-	-
MOJ - Core /Women's centre	-	14,296	14,296	-	-
Paul Hamlyn	(458)	40,600	40,142	-	-
	£24,795	£564,426	£535,455	£Nil	£53,766

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

17 UNRESTRICTED FUNDS

At 31 March 2023	Balance at 01-Apr-22 £	Income £	Expenditure £	Transfer between Funds £	Balance at 31-Mar-23 £
Unrestricted funds	507,692	1,163,590	1,068,199	-	603,083
Designated funds	203,385	-	-	-	203,385
	£711,077	£1,163,590	£1,068,199	£Nil	£806,468

At 31 March 2022	Balance at 01-Apr-21 £	Income £	Expenditure £	Transfer between Funds £	Balance at 31-Mar-22 £
Unrestricted funds	438,189	941,011	890,876	19,368	507,692
Designated funds	223,385	-	-	(20,000)	203,385
	£661,574	£941,011	£890,876	£(632)	£711,077

18 DESIGNATED FUNDS

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

	2023 £	2022 £
Contractual obligations and wind-down costs	188,385	188,385
Exceptional costs	15,000	15,000
	£203,385	£203,385

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023

	Unrestricted Fund £	Restricted fund £	Total £
Current assets	1,124,407	53,766	1,178,173
Current liabilities	(317,939)	-	(317,939)
As at 31 March 2023	£808,468	£53,766	£860,234

2022

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

20 NOTES TO THE STATEMENT OF CASHFLOWS

	2023 £	2022 £
Reconciliation of surplus to net cash		
Surplus for the year	124,361	50,322
(Increase)/decrease in debtors	119,672	(141,592)
(Decrease)/increase in creditors	105,359	139,890
Net cash provided by/(used in) operating activities	£349,392	£48,620