

FPWP HIBISCUS LIMITED

Company No. 4533442

Charity No. 1104094

AUDITED ACCOUNTS
YEAR TO 31 MARCH 2004

A A Jamal & Co.
Chartered Accountants



LEGAL AND ADMINISTRATIVE INFORMATION

PRINCIPAL OBJECTS

The principal objects of the company are to relieve the poverty and the physical and mental sickness and distress of women, particularly those who have suffered any legal restriction on their liberty in any penal or correctional establishment or who have been charged with or convicted of a criminal offence.

PRINCIPAL AREAS OF BENEFIT

The principal areas of benefit are the United Kingdom and Jamaica.

STATUS

The organisation is a company limited by guarantee (no.4533442) incorporated on 12 September 2002 and registered as a charity (no.1104094) on 2 June 2004.

TRANSFER OF UNDERTAKING

From 1 April 2003 the company took over the entire operations of Female Prisoners Welfare Project, an unincorporated charity (no.800608). That organisation started in 1986 and was registered as a charity in 1989.

DIRECTORS AND TRUSTEES

The directors are also the trustees for the purpose of charity law, and those who held office during the year were as follows:

Ms Caroline Gooch, Chair
Ms Jennifer Stephenson, Acting Treasurer
Ms Pru Stevenson
Ms Glasmine Banton-Douglas
Ms Ulrica Thynne
Ms Anne-Marie Whittaker
Ms Jo Anne Goodwin
Ms Nicholina Ezechie

At each AGM one third of directors, being the longest serving, shall retire from office and, if eligible, may be re-elected.

SECRETARY

Ms Liz Dixon

REGISTERED OFFICE AND OPERATION ADDRESS

18 Borough High Street, London SE1 9QG

AUDITORS

A A Jamal & Co, Chartered Accountants, 28 Fairlop Rd, London E11 1BN

BANKERS

Lloyds TSB, 15 Cheapside, London EC2V 6AJ

SOLICITORS

Sinclair Taylor & Martin 9 Thorpe Close London W10 5XL

DIRECTORS' REPORT

TRANSFER OF UNDERTAKING

The funds of the existing charity, Female Prisoners Welfare Project, were transferred to the charitable company on 1 April 2003. Until that date, the charitable company was dormant.

ACTIVITIES AND REVIEW OF THE YEAR

The year has again seen an increase in the number of women supported by our services. This has been possible through increased funding and the expanded pool of our specially trained staff and volunteers who speak a variety of languages and come from differing backgrounds. In addition to the existing two staff at HMP Holloway we now also have permanent workers at HMP Morton Hall and HMP Drake Hall, a sign that the Prison Service accepts that we give good value for money.

Apart from providing support to women who have been detained or convicted we also continued the important role of education, to show women that drug smuggling is not a solution but will make their problems worse. This takes the form of poster campaigns, conferences, discussion groups and targeted media information in the communities from which the women originate, and continues to have a positive impact. Our other strand of education, focused on decision makers in the Criminal Justice System, policy makers and the media about the true situation of the women also continued.

Since the success of the inter-governmental conference in Jamaica organised by FPWP in 2001 there has been a fall in the number of drug couriers coming into the UK and a review of sentencing. This success has, however, created its own problems as large numbers of released inmates will be deported and returned to their countries in the near future. Another conference is therefore planned for next year to consider how to resettle and reintegrate them into their communities.

The partnership with Parents in Prison continued, which enables women to speak to their children through tape recordings of song, poems and prayer. Feedback from carers of the children shows how valuable this can be for a child's well being. This initiative has been a great success and it is therefore intended to expand the service to other prisons.

The visit to the UK at the end of 2003 by Bula Grizzle, Co-ordinator of our Jamaica office, was very successful. This allowed her to meet staff and report first hand about her experiences working with families in Jamaica, as well as acquaint herself with the work undertaken by the London office. Special thanks go to our Chair for providing funds for the visit.

Research on foreign nationals in prison funded by Network for Change continues with the support of Kent University. Our researcher, Tres Ann, has completed the first year of her PhD and has now begun fieldwork to uncover the reasons why so many women from abroad commit crimes that result in their imprisonment in the UK.

During the past year we continued to participate in many conferences, workshops and strategy meetings. We also wrote a chapter for a textbook on criminology and received recognition in other significant publications such as The Prison Service Newsletter and 'Prison Gate' by Sir David Ramsbotham.

DIRECTORS' REPORT (continued)

RESULTS

The net outgoing resources for the year was £(15,268), as shown in the Statement of Financial Activities on page 7.

FUNDS AND RESERVES

Unrestricted fund general reserves were at £(34,603) at the end of the year. This deficit was turned around early in the next year through the assistance of the HM Prison Service who provided an unrestricted grant of £36,000.

The directors would like unrestricted funds general reserves to be between 3 and 6 months of resources expended (between £70,000 and £140,000). This would enable current activities to continue if there were a large drop in funding. Presently there are no free reserves and the directors are looking at ways of achieving the target.

RISK REVIEW

The directors have carried out a review of the major risks to which the charitable company is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan that allows for the diversification of funding. A sub-committee meets regularly to raise funds. Internal risks are kept to a minimum, by having adequate procedures for authorizing all transactions. All projects are checked for consistent quality of delivery and are reviewed twice a year.

FUTURE STRATEGY

The charitable company has prepared a 5-year business plan together with a related funding strategy and its activities will continue as outlined in the plan.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the surplus or deficit for that year. In preparing those financial statements the directors are required to:

- make suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

Approved by the directors on 17.1.05 and signed on their behalf by


Jennifer Stephenson

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FPWP HIBISCUS LIMITED

We have audited the financial statements of FPWP Hibiscus Limited for the year ended 31 March 2004, that comprise the Balance Sheet, Statement of Financial Activities and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As stated in their report above, the directors of FPWP Hibiscus Limited are responsible for the preparation of financial statements in accordance with applicable law and UK Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and UK Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

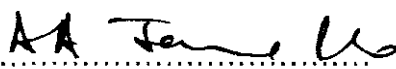
BASIS OF OPINION

We conducted our audit according to UK Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2004 and of its incoming resources and application of resources, including income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Signed.....

17.1.05

A A Jamal & Co
Chartered Accountants and Registered Auditors

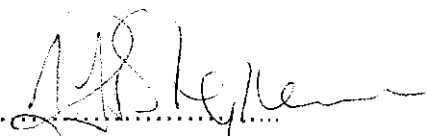
a@jamal.co.uk
28 Fairlop Rd, London E11 1BN

BALANCE SHEET AT 31 MARCH 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	2.	<u>2354</u>	<u>nil</u>
CURRENT ASSETS			
Debtors and prepayments	3.	13799	nil
Cash and bank balances		<u>1060</u>	<u>nil</u>
		<u>14859</u>	<u>nil</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	4.	<u>36808</u>	<u>nil</u>
Net current liabilities		(21949)	nil
NET (LIABILITIES)	5.	<u>(19595)</u>	<u>nil</u>
 Unrestricted Funds - General		(34603)	nil
Restricted Funds		15008	nil
TOTAL FUNDS	6.	<u>(19595)</u>	<u>nil</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the directors on 17.1.05 and signed on their behalf :



 Jennifer Stephenson (Director)

STATEMENT OF FINANCIAL ACTIVITIES

YEAR TO 31 MARCH 2004

Income and Expenditure

	Notes	Unrestricted	Restricted	Total 2004 £	Total 2003 £
INCOMING RESOURCES					
Donations		4330		4330	
Activities to further the charitable company's objects:					
Grants and contracts for advice, information and outreach	7.	111544	140153	251697	
Bank interest		80		80	
Other Income		455		455	
TOTAL INCOMING RESOURCES		<u>116409</u>	<u>140153</u>	<u>256562</u>	<u>nil</u>
RESOURCES EXPENDED					
<i>Cost of generating funds</i>					
Fundraising and publicity	8.	5764		5764	
<i>Charitable expenditure</i>					
Advice, information and outreach	9.	96234	161817	258051	
Management and administration	10.	8014		8014	
TOTAL RESOURCES EXPENDED		<u>110013</u>	<u>161817</u>	<u>271830</u>	<u>nil</u>
Net Incoming/(Outgoing) Resources - Net Income/(Expenditure) Before Transfers		6397	(21664)	(15268)	nil
Transfers between Funds		<u>(36121)</u>	<u>36121</u>		
Net movement in Funds for the year		(29725)	14457	(15268)	nil
Balance At Start of Year		nil	nil	nil	
Transferred from unincorporated charity at start of year		(4878)	551	(4327)	
Balance At End of Year	6.	<u>(34603)</u>	<u>15008</u>	<u>(19595)</u>	<u>nil</u>

Movements in reserves and all recognised gains and losses are shown above.

NOTES TO THE ACCOUNTS YEAR TO 31 MARCH 2004

1. ACCOUNTING POLICIES

- a) The financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 1985 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.
- b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.
- c) Grants, including grants for the purchase of fixed assets, are recognised in full in the period in which they are receivable.
- d) Incoming resources from contracts, interest and other sources are included in the period in which they are receivable.
- e) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT that cannot be recovered.
- f) Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of direction and administration of each activity, comprising the salary cost of the central function, is apportioned on the following basis which is an estimate of the amount of staff time attributable to each activity:

Fundraising and publicity	10%
Advice, information and outreach	80%
Management and administration	10%

The allocation of shared central costs to restricted fund activities is based on the proportion of staff time attributable to these activities, which is estimated at 60% of the total staff time available.

- g) Unrestricted funds are donations and other income for the charity's objects without further specified purpose and are available as general funds.
- h) Restricted funds are for purposes specified by donors. Only expenditure meeting their criteria is set against these funds.
- i) The cost of tangible fixed assets is written off at the rate of 25% per annum on a reducing balance basis. Assets costing less than £500 are fully written off in the year of acquisition.

NOTES TO THE ACCOUNTS (continued)

YEAR TO 31 MARCH 2004

2. TANGIBLE FIXED ASSETS

	Furniture and equipment		
	Cost	Depn.	Net
	£	£	£
At start of year	nil	nil	nil
Transfer from unincorporated charity	12184	(9882)	2302
Additions	837		837
Depreciation for year		(785)	(785)
At end of year	<u>13021</u>	<u>(10667)</u>	<u>2354</u>

3. DEBTORS**2004**

	£
Rent deposit	7375
Other debtors and prepayments	6424
	<u>13799</u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR**2004**

	£
Bank overdraft	17257
Inland Revenue - PAYE & NIC	9335
Trade creditors	2661
Staff expenses	5275
Sundry creditors and accruals	2280
	<u>36808</u>

4. ANALYSIS OF NET (LIABILITIES) BETWEEN FUNDS

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets	2354		2354
Current assets	(149)	15008	14859
Current liabilities	(36808)		(36808)
Net (Liabilities)/Assets at 31.3.04	<u>(34603)</u>	<u>15008</u>	<u>(19595)</u>

NOTES TO THE ACCOUNTS (continued)

YEAR TO 31 MARCH 2004

5. TOTAL FUNDS	At start of year	Transfer from existing charity	Incoming resources	Resources expended	Transfers	At end of year
Restricted Funds:						
Advice and projects	nil	551	140153	(161817)	36121	15008
	nil	551	140153	(161817)	36121	15008
Unrestricted Funds:						
General fund	nil	(4878)	116409	(110013)	(36121)	(34603)
	nil	(4878)	116409	(110013)	(36121)	(34603)
Total Funds	nil	(4327)	256562	(271830)	0	(19595)

7. GRANTS AND CONTRACTS

2004

	Unrestricted	Restricted	Total £
HMP Drake Hall	2909		2909
HMP Feltham	135		135
HMP Holloway	53400		53400
HMP Morton Hall	12600		12600
Foreign and Commonwealth Office		12697	12697
HMP Women's Policy Group		6358	6358
City Parochial Foundation		8750	8750
Community Fund		38027	38027
Esmee Fairbairn Foundation		16000	16000
HM Prison Service		10000	10000
John Ellerman Foundation	20000		20000
Lankelly Foundation	15000		15000
Lloyds TSB Foundation		6000	6000
London Probation	5000		5000
Oliver Morland Trust	500		500
Parents in Prison		3600	3600
Princes Trust Millennium Awards		10930	10930
Staples Trust		15791	15791
Eleanor Rathbone Trust		2000	2000
Noel Buxton Trust	2000		2000
William A Cadbury Trust		10000	10000
	111544	140153	251697

NOTES TO THE ACCOUNTS (continued)
YEAR TO 31 MARCH 2004

8. FUNDRAISING AND PUBLICITY

2004

	Unrestricted
	£
Share of central staff cost	5764
	<u>5764</u>

9. ADVICE , INFORMATION AND OUTREACH

2004

	Unrestricted	Restricted	Total
	£	£	£
Staff costs	54245	107829	162074
Travel and other expenses	7112	3516	10628
Training	243		243
Volunteering expenses		1212	1212
Hibiscus - Jamaica	22999	10000	32999
Hope Project direct costs		5603	5603
Welfare		6210	6210
Research		7257	7257
Consultancy	5550		5550
Rent, rates and services	18373		18373
Rent deposit adjustment	(7375)		(7375)
Repairs, renewals and cleaning	2073		2073
Light and heat	485		485
Insurance	783		783
Telephone, fax and internet	3968		3968
Printing, postage and stationery	4863		4863
Publications and subscriptions	171		171
Bookkeeping	262		262
Bank charges and interest	685		685
General expenses	1202		1202
Depreciation	785		785
Allocation of shared central costs	(20190)	20190	
	<u>96234</u>	<u>161817</u>	<u>258051</u>

10. MANAGEMENT AND ADMINISTRATION

2004

	Unrestricted
	£
Share of central staff cost	5764
Auditors' fees - accountancy	1250
- audit	1000
	<u>8014</u>

NOTES TO THE ACCOUNTS (continued)

YEAR TO 31 MARCH 2004

11. STAFF COSTS AND NUMBERS

2004

	Total
	£
Salaries and wages	156161
Social security costs	16601
Pension costs	841
	<u>173603</u>

Salaries and wages included implementation of backdated pay increases, part of which related to the previous year.

No.

The number of staff who received emoluments in the range of £50,000 to £59,999 was:

1

Based on full-time equivalents, the average weekly number of staff was:

5

Pension costs are contributions to money purchase schemes and are recognised in the period in which they are incurred, without further liability to the schemes. The assets of the schemes are held separately from those of the charitable company.

12. PAYMENTS TO TRUSTEES

No fees or expenses were paid to trustees (none in 2003).

13. FINANCIAL COMMITMENTS

2004

At 31 March 2004 the charitable company had annual commitments under a non-cancellable operating lease for rental of office premises which expires as follows:

Expiring within one year	
Expiring between two and five years	39000
	<u>39000</u>

From the inception of the operating lease the office premises have been shared with another independent charitable company that pays a contribution of half the annual rent direct to the landlord.