

Company number: 6563365

Charity Number: 1126097

Charity registered in Scotland No: SC045769

Hope for Justice

Report and financial statements

For the year ended 31 March 2021

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For the year ended 31 March 2021

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Hope for Justice

Reference and administrative information

For the year ended 31 March 2021

Company number 6563365

Charity number 1126097

Registered office Hope for Justice
3rd Floor, the Lexicon
Mount Street
Manchester
M2 5NT

Trustees Trustees who are also directors under company law, who served during the year and up to the date of this report were as follows:

P Elson *	Resigned 26 November 2021
A Gibson **	
N Grant	
G Henderson	Resigned 30 October 2020
T Bentley	
C Almond *	
E Ajayi** ***	
R Camp** ***	Appointed 30 October 2020 (Chair)
S Illingworth***	Appointed 8 February 2021
I Pettigrew***	Appointed 8 February 2021

* Member of the Finance Sub-Committee

** Member of the Risk and Compliance Sub-Committee

*** Member of the People and Culture Sub-Committee

Hope for Justice

Reference and administrative information

For the year ended 31 March 2021

Bankers	HSBC	CAF Bank
	City Branch	25 Kings Hill Avenue
	Park Row	West Malling
	Leeds	Kent
	LS11LD	ME19 4JQ
Auditors	Crowe U.K. LLP	
	Statutory Auditors	
	The Lexicon	
	Mount Street	
	Manchester	
	M2 5NT	

The trustees of Hope for Justice present their report and audited financial statements of the charitable company and its subsidiary companies for the year ended 31 March 2021 which, together, form the Hope For Justice Group.

The list of entities that are now consolidated within these accounts are (more information in Note 10):

Hope for Justice – UK

Slave-Free Alliance Ltd – UK

No More Slaves Ltd UK (Dormant)

Hope for Justice International – UK (Dormant)

Hope for Justice AS – Norway

Hope for Justice Inc. – USA (including operations in Cambodia)

OK200:Stop The Traffic – USA

Lilipad Haven – USA

Retrak – UK (including operations in Africa)

The Tigers Club Project Limited – Uganda

Hope for Justice Australia Limited – Australia

Slave Free Alliance Australia Limited – Australia

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The trustees regularly review the aims, objectives and activities of the charitable Group. This report looks at what the Group has achieved and the outcomes of its work in the reporting year. The trustees report the success of each key activity and the benefits the Group has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Group's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable Group's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The principle activities are:

- a) to identify victims of human trafficking, build bridges of trust with them and safely remove them from situations of exploitation
- b) to assess victims needs and make recommendations to safe house providers in the short term and to assist survivors with finding jobs and building community in the longer-term

- c) to secure criminal and civil justice for victims and advocate for access to housing and health services, and for the cancellation of debts created by traffickers
- d) to train frontline professionals such as the police, social services, housing providers and outreach programmes to identify victims and/or work appropriately with them

Through its activities, Hope for Justice provides public benefit in the following areas:

- The prevention and relief of oppression and exploitation imposed by Human Trafficking or Modern Slavery
- The advancement of awareness amongst the general public of the prevalence of Human Trafficking or Modern Slavery
- Improving the response from front line professionals working with potential victims of Human Trafficking or Modern Slavery for identifying and reporting potential victims
- Working with commercial entities to identify and remove forced labour and other forms of exploitation from their supply chains

Although many of Hope for Justice's activities are complex and span a number of its objectives, Hope for Justice summarises its activities under four broad headings.

- Prevention
- Rescue
- Restoration
- Reformation

The following paragraphs report our successes and achievements under the four headings identified above.

Achievements and performance

Hope for Justice's charitable activities reached just under 200,000 people during 2020–2021. This includes nearly 5,000 adults and children who were themselves victims of human trafficking or modern slavery or vulnerable to it – this is by far the highest number we have ever reached in a single year.

Like everyone around the world, we were affected by COVID–19 throughout 2020–21. However, through careful planning and safety measures at our centres, including at those where we directly care for survivors, we were able to continue providing our life-changing support, and even expand the number of regions and countries in which we work.

This year, we launched new teams in the East Midlands and North–West of England; and, in the United States, in Florida, Colorado, and Iowa.

PREVENTING EXPLOITATION:

Globally, we trained 13,883 people in 2020–21, including 1,272 practitioners in the Global South. One example took place in Kisenyi district, a slum in Uganda's capital, Kampala. We partnered with another charity called Child's i Foundation and the British Council's Active Citizens programme to provide training for 35 leaders in the community during a two-day workshop, focused on child sexual exploitation. All the attendees signed a commitment to support activities that will end sexual abuse and sexual exploitation in the Kisenyi community. We believe this will lead to great change.

We also went above and beyond to help those at risk who had become even more vulnerable due to Covid-19. Working in partnership with other organisations, we helped rescue hundreds of children from city streets in Uganda during the national lockdown. We set up emergency shelters and access to medical treatment, blankets and food. Those testing positive for the virus were isolated. When the lockdown ends, the children will be assessed as to their trafficking risk and transferred into our care, or that of another NGO, before beginning their journeys to more permanent family-based care.

In Cambodia, we prevented exploitation by supporting individual survivors and families. For example, a couple with two daughters with little education were trying to survive by recycling other people's rubbish and selling it. They were targeted by traffickers who offered their 13-year-old eldest daughter, Da, a job as a waitress in the capital. Desperate to "make ends" meet, they agreed. However, Da was then forced into sexual exploitation and trapped in a brothel for 18 months, until she was brought to our Lighthouse following a police raid. As part of our care for Da, our team engaged with her family to ensure it was safe for Da to be reunited with them. At a pre-visit to her home in April 2020, we identified that her parents' poverty would leave her vulnerable to re-trafficking and that her younger sister could also be at risk.

The family's income had dropped to almost nothing, due to the restricted movement caused by Covid-19 and the fact that the family's pushcart had broken. We bought the family a new pushcart to restart the recycling business, and a bicycle for Da's mother to get between villages to sell produce and help supplement their income once again. These two simple solutions have turned around the family's earning capacity and allow them to provide for themselves and keep their daughters safe. This case study is emblematic of our wider approach to helping prevent re-trafficking.

Our Self-Help Groups continued to transform the lives of entire families. Senia, who was struggling to feed her family, now runs a successful business. Senia and her labourer husband live in Ethiopia with their four children. It was difficult to "make ends" meet on their income, and saving was impossible. She worried that her children would feel pressured to leave home and end up in exploitative situations. Then Senia met a Hope for Justice Community Development Worker doing proactive outreach work, and heard about our Self-Help Groups.

When she first joined the group, Senia had no money to contribute. To support her, the group began saving coffee beans daily, which Senia sold at the end of each week. After six months, Senia

had saved money, and the group provided her first loan, with which she began to sell fruit. In time, she was able to pay back the loan, and took a second one to expand her business. With good progress and growth achieved, she paid the second loan back. The third, fourth and fifth loans allowed Senia to begin selling vegetables as well as fruit, buy a cart for her husband, and finally to rent a shop.

RESCUING VICTIMS

During this period, we were overjoyed to be part of the biggest single-day rescue operation in our history. At the end of March 2021, our staff in Uganda worked with partners including the police to prepare for major raids on illegal brothels and other locations where girls and young women were being trafficked and abused.

The operations saw more than 50 girls rescued in a single day, 17 of whom were taken in for aftercare by our Lighthouses. The other girls received care from a partner charity. The intelligence gathered led to at least 13 arrests for human trafficking offences, including two brothel owners. Thanks to an undercover investigation carried out by our team in the USA, six women who were trapped in sexual exploitation were freed, their place of work shut down, and the alleged perpetrators arrested. We were contacted by local law enforcement, who suspected that illegal activity was taking place at a restaurant in the Southern United States. Our team carried out undercover filming and found that the women aged 18 to 22, had been coerced into sex work, after accepting jobs as waitresses.

The group of women were being forced to give more than half their earnings to their employers. Our filming provided evidence that people were being solicited, which enabled law enforcement to close the venue and make the arrests. We provided the women with food, medical care and counselling, and will continue to support them as they recover.

During 2020–21, we launched community engagement Hubs in the East Midlands and North West England. These areas were chosen after a strategic analysis concluded that our model could make the most impact there, particularly in towns and cities including Preston, Burnley and Leicester. We launched our second United States Hub, covering the Midwest region and based in Iowa. The team is led by a newly appointed Senior Investigator who has 25 years' experience as a police detective, and has received several prominent accolades for his anti-trafficking work.

In Oslo, Norway, our Hub was relaunched under new leadership, with a new approach focused on further outreach work by our multi-skilled team.

In the UK, a father-of-three is finally living in safety after seven years of exploitation. Kambili* had become separated from his wife and three children during conflict in Nigeria. He was tricked into leaving his home country by two men who made him false promises.

Upon Kambili's arrival, they men took away his ID, locked him in a room with other men and left him for five days without food. He was then subjected to forced labour, working on farms, often for 14 hours a day, with no pay. He was also sexually assaulted.

Kambili, who is in his 50s, was referred to Hope for Justice by a healthcare worker who suspected that he was a potential victim of trafficking. Our team provides Kambili with ongoing support, arranging regular food parcels, entering him into the National Referral Mechanism (NRM), and liaising with support workers to find a safe house. Kambili has now received a positive reasonable grounds decision via the NRM system. We have also found a solicitor to take on Kambili's complex immigration case, and provided relevant information for them to take this forward.

We played a vital role in dismantling a syndicate in Uganda that trafficked teenage girls for commercial sex, domestic servitude, forced marriage, street vending and labour. The criminal network was unearthed thanks to the work of one of our village Child Protection Committees. Three teenage girls were brought to one of our Lighthouses for care, and the support they needed to give evidence about what happened to them. This intelligence led to an undercover sting operation co-ordinated between Hope for Justice and the police. The trafficker was arrested and gave information that implicated many people, including respected members of the community, as well as organised criminals.

More victims were also rescued in a local town, where they were being collected to travel on to Kampala. The Head of Anti-Trafficking at the Department of Police passed a message to our team saying: "Hope for Justice, thank you so much for supporting the process of investigations on this trafficking case!"

RESTORING LIVES:

In January 2021, we announced the launch of a network of safe houses providing transitional housing for survivors of human trafficking, when Lily Pad Haven Inc. in North Carolina became part of our organisation.

As well as safety, shelter and respite, survivors of human trafficking living at our US Survivor Care Program can also access many other services via community partners to speed and assist the transition back into mainstream society and new opportunities.

We plan to further build on these services, drawing on models established through our aftercare services globally. We will secure new properties to increase the number of people who can be offered direct support and shelter.

In the UK, a man who was trafficked and then coerced into forced labour is now celebrating employment in a job he loves. Mateusz* was promised well-paid work. However, on arrival, his documentation was taken from him and he was forced to live in squalor. For three years Mateusz was forced to work long hours in factories. He was rescued in a police raid and then received ongoing support from our Advocacy team. We applied for welfare benefits, arranged English tuition, liaised with police, gave immigration advice, and worked alongside lawyers to apply for his settled status in the UK, which has been granted. Mateusz is now working at a food warehouse, and said: "I really love my job. I am really happy with work and so thankful for all of the help I have received."

In Ethiopia, a 14-year-old boy had been living on the streets and vulnerable to traffickers, when a motorbike crash left him with a serious leg injury. However, today, Ali* is able to walk and play with his friends, after we provided vital medical treatment.

At the time of the crash – when Ali was learning to drive – he was living with a neighbour, after Ali's parents both remarried and disowned him. Ali felt guilty because he could see that the cost of medical treatment would exhaust his guardian's savings.

So he went to Ethiopia's capital to try to earn money by begging. He was very vulnerable to being trafficked, but luckily our outreach workers found him, and he joined our Canaan Lighthouse. When he arrived, he was using crutches and could not walk unaided.

We arranged for an orthopedic surgeon to assess his injury, plus tests which confirmed he had damaged ligaments. He began physiotherapy to restore movement in his legs. Ali said: "I have now finished my medication and can walk again. I can play and dance with my friends, take part in sports and activities. I am very healthy again. I feel hopeful, very happy and thankful for everything that Hope for Justice has done for me."

In Cambodia, our new Stepping Stones project helped 15-year-old Phallen* transform her future after being forced to marry a man who beat and raped her.

Phallen's dad, a poor fisherman, sent his daughter to marry a rich businessman in China to provide her with a safe and happy future. However, in the end Phallen was forced to marry an old pig farmer who "bought" her to ensure he had someone to look after him and his farm. Gradually, Phallen picked up some Chinese, and one day took her chance to escape. After the Cambodian embassy helped her return to Cambodia, she was taken in by one of our Lighthouses. Our team spent several months caring for Phallen, and provided individual and group counselling, as well as catch-up education classes.

Having recovered, Phallen joined Stepping Stones, our life-changing initiative providing older survivors the skills and confidence they need to look after themselves find safe work and live independently.

We supported her through her training at a local bakery and café, where she was subsequently offered a job. Phallen is now enjoying working in an environment where she is well respected and liked, and is living in the community.

Phallen said: "Thanks so much to Hope for Justice for helping me see I can still have a good future after my terrible experiences. Now I have an independent life for myself and can see a bright future!"

REFORMING SOCIETY:

Throughout 2020–2021, Hope for Justice in the UK worked closely with colleagues at the British Red Cross and the Snowdrop Project to form a new partnership to help survivors of modern slavery

to rebuild and regain control of their lives. The three organisations are developing a framework for the accreditation of Independent Modern Slavery Advocates (IMSAs) in the UK. This collaboration will build on the model of independent advocacy for survivors of modern slavery that has been developed by Hope for Justice over the past six years.

An independent evaluation of Hope for Justice's IMSA model was carried out during 2020 by Alexandra Williams-Woods, a researcher at the University of Liverpool. The report, published in spring 2021, found that the IMSA model at Hope for Justice provided a tested model for responding to the significant needs and structural disadvantages that survivors of modern slavery encounter, and led to considerably improved outcomes for survivors.

The report recommends that organisations which provide advocacy services for modern slavery survivors should work together to build an accredited IMSA role and framework in line with other independent advocacy services, such as Independent Domestic Violence Advocates. The British Red Cross, Hope for Justice and the Snowdrop Project are now working alongside survivors, the wider anti-slavery sector and others to develop a replicable and scalable model of independent advocacy in the UK.

Dame Sara Thornton DBE QPM, the UK's Independent Anti-Slavery Commissioner, endorsed the new partnership and said "advocacy was "vital" to empower survivors and reduce the risk of re-trafficking".

During 2020–21, Hope for Justice worked alongside governments and academics as part of a pioneering UK Space Agency project to improve the response to human trafficking. The project, known as Anti-trafficking using Satellite Technology for Uganda's Sustainability (ASTUS), led by the University of Nottingham, utilises Earth Observation technology from satellites to support anti-trafficking efforts in Uganda. The project aims to use space technology to track the prevalence of this crime, to map vulnerability hotspots and to estimate the numbers of men, women and children being trafficked.

In June 2020, we celebrated the passage of a bill that will ensure more Iowa hotels and motels provide their employees with human trafficking prevention training. Hotels and motels that fail to provide this training cannot accept public funds for stays, events, or state-related functions. Hope for Justice team members and volunteers played important roles in getting this law drafted and passed.

Global summary

Working together, below are just some of the global highlights Hope for Justice has achieved during the year 2020–2021:

This year, our work reached an incredible 192,667 children and adults.

This is how we helped them:

4,844 People rescued, helped through outreach or provided with aftercare after rescue

21,170 People had formal training or engaged with our community prevention work

166,653 People attended awareness events or received indirect support from us

Other key results this year:

- 12,114: Number of children whose caregiver benefited from our Community Prevention Programmes
- 1,810: Number of children cared for at one of the Lighthouses after having been trafficked or at-risk of trafficking
- 915: Number of children reintegrated into family settings (this includes older teenagers supported into independent living when reuniting them with family was unsafe or impossible)
- 2,132: Number of vulnerable children and adults helped through outreach services
- 271,644: Number of meals served to children in our care
- 5,151: Number of women participating in our Self-Help Groups
- 13,883: Number of people trained, globally
- 466: Number of potential modern slavery cases referred to Hope for Justice Hubs for investigation
- 1,905: Number of unlocked padlocks added to our Freedom Wall...every one representing a real life changed by our work

Slave-Free Alliance summary

Slave-Free Alliance, our business-focused social enterprise, saw tremendous growth and is now working with more influential companies than ever – including 12 that are current or recent members of the FTSE 100 index, and three of the top five supermarket chains in the UK. This year we launched internationally too, with ALDI Australia becoming a member.

Collectively these businesses, plus Slave-Free Alliance's three largest privately owned clients, have more than 1.2 million employees around the world, with total revenues of £230 billion. Among the biggest to join during 2020–2021 were Greene King, which operates 3,100 pubs, restaurants and hotels; equipment hire giant Sunbelt Rentals Ltd (a trading name of FTSE 100 member Ashtead Group plc); ALDI UK and ALDI Australia.

The supermarket sector has shown particular interest in our services, with Morrisons having joined at the end of the 2019–2020 financial year, and Asda joining just after the end of the 2020–2021 period.

When ALDI Australia joined, it created a great deal of media interest in the country, including in national newspapers and the retail sector. As well as Australia, Slave-Free Alliance is also expanding our work into the United States and Norway.

In March 2021, the UK Government launched a public register of all Modern Slavery Statements. For the first time, a business's customers, competitors and the public can see in one central place the steps it is taking to combat the risk of modern slavery – or that it is not taking steps at all.

Within days, Slave-Free Alliance produced a detailed Briefing document about the implications of the new public register and made it available to our members and clients. This became our most downloaded ever single resource.

Alongside downloadable resources like this Briefing, our members and clients also benefited from regular Webinars by our experts on key topics, including one on Supplier Codes of Conduct, one on Leadership and Escalation Best Practice and another on Supply Chain Due Diligence.

As with all aspects of Hope for Justice's work, the COVID pandemic forced a re-evaluation of the way that many Slave-Free Alliance services were delivered during 2020–21. The move from on-site learning and training to e-learning by default was welcomed by many clients.

Many Slave-Free Alliance members and clients got involved with Anti-Slavery Week in October 2020 through campaigns, social media, events, fundraisers and more. It was great to see so many businesses participating and raising awareness throughout the week and on Anti-Slavery Day itself, and the messages shared with customers, colleagues and stakeholders. Members who we saw getting involved included ALDI UK, Dixons Carphone, Experian, Karro, Morrisons, Reward Gateway, Samworth Brothers, Severn Trent, Yodel and Viridor, and we are sure there were more. Biffa, one of our founding members, ran a particularly visible 'Zero Tolerance' campaign, converting many of its waste trucks in UK cities to share messages about modern slavery and directing the public to Hope for Justice's website to learn more. Ten of these trucks were deployed in regions where the risk of modern slavery is particularly prevalent, namely London, Peterborough, Birmingham, Newcastle and Manchester.

The Zero Tolerance campaign was welcomed by former UK Prime Minister Theresa May, who encouraged businesses to review their supply chains to help prevent modern slavery.

Fundraising

The issue of ethical fundraising remains an area of concern for the public. Hope for Justice does not employ the services of a 3rd party fundraiser and we are committed to ensuring that our own internal practices meet the highest standards. Further detail about our fundraising during the year is included in our Financial Review below.

Hope for Justice is registered with the Fundraising Regulator, whose standards we applaud and work hard to uphold, and we have invested significantly this year to ensure that we comply with General Data Protection Regulation (GDPR) legislation which came into force on 23rd May 2018. Hope for Justice is not aware of any failure to comply with the standards and has received no complaints in relation to fundraising activity.

As above Hope for Justice will only contact individuals who have indicated that they are willing to be contacted and this will be in the form of thanking the individual for donating or as an update on our programme activities and current issues surrounding modern slavery, rather than a request for donations.

Financial review

During the year Hope for Justice continued to expand its operations by increasing the number of frontline staff delivering services and bolstering the senior leadership team to improve governance and oversight as well as acquiring new subsidiaries for fund raising and programmes

Income in the year ended 31 March 2021 has increased to £8.08m from last year at £6.76m. We continue to invest in fundraising activities and we measure and review our investments in these activities to ensure that we achieve acceptable returns. As we grow, recurring income becomes a smaller percentage of our income but is still significant, the majority of this from private individuals. In addition, we continue to attract a wide range of major donations on a multi-year basis from businesses, trusts and foundations. The proportion of unrestricted income remains high, giving the trustees the ability to invest in activities, as it deems necessary. In the year to 31 March 2021, unrestricted income represented 65.1%: (2020 60.5%)

We have so many loyal supporters who continue to fund our work. Without you, we would not be able to continue to prevent exploitation, rescue victims, restore lives or reform society. All the successes in this report are a testimony to your generosity and vision. Thank you so much for continuing to trust us to use your generous donations wisely.

Slave-Free Alliance, Hope for Justice's social enterprise, continues to expand grow its customer base. In the year the company made a profit before tax of £15k (2020: £110k loss). Our focus continues to on developing new sales to deliver profitability in the medium term. SFA continues as a primary purpose subsidiary and will gift aid any future profits to Hope for Justice. The trustees have carefully considered the future financial performance of SFA and the impact it can make and are committed to supporting it until it becomes profitable.

Expenditure on charitable activities for the year ended 31 March 2021 has remained constant at £5m A further breakdown of expenditure is presented in note 6 to the accounts

The result is a surplus for the year of £1.43m (2020 : £345k) and an uplift in retained reserves, to £4.32m (2020 £2.89m), which will enable the Group to plan future activities. The split of these reserves is : General £1.61m (2020:£1.99m), Designated £1.31m (2020:£nil), Restricted £1.40m (2020:£0.90m). The build-up of reserves is primarily due other effects of Covid restricting some of the activities.

Reserves policy and going concern

Hope for Justice has an approved reserves policy, for retaining a level of readily accessible funds within its unrestricted reserves to mitigate financial and operation risks, ensuring that the work of the charity is sustained with minimal disruption and where necessary to provide short term funding for new projects. The reserves policy is set out in note 18 and our remaining general

reserve of £1.61m is approximately sufficient for 4.5 months of committed unrestricted expenditure

Restricted reserves represent income received but not yet expended in accordance with donors' wishes. Some restricted donations are given to fund multi-period projects. These are recorded in the period when the donation is received or receivable. Pledges within the US that have restrictions attached are not accounted for until the donation is received. The expenditure from restricted funds is recorded in the period when the funds are used for the restricted purpose. This means that in some accounting periods, there will be significant restricted reserves carried forward to future periods and in some accounting periods, there may be an excess of restricted expenditure over restricted funds received in that period.

The Trustees will review the policy at least annually in order to consider the needs and appropriate size of designated reserves for specific future uses, as well as maintaining sufficient other unrestricted funds for contingency purposes.

During the pandemic, the Group has managed to increase its levels of revenues and minimise its cost base and has therefore add to its reserves. These reserves are now allocated as per the new reserves policy as set out in note 18.

The culmination of all of the above response to the pandemic has meant that the trustees have full confidence in the management team and their response and that Hope for Justice is well placed to continue to deliver its activities for the foreseeable future.

COVID-19

The impact of the global pandemic has not impacted the financial statements for the year ended 31 March 2021 and no revision of any estimates or valuations has been required. However, it has affected our activities and in the main how restricted reserves have been spent due to a limitation of activities especially in Ethiopia, Uganda & Cambodia. Travel by all staff within and between countries has been severely impacted. We have continued to utilise new technologies to help overcome this travel issue, which has, as a direct consequence assisted in cost reduction as mentioned above.

Staff & client safety is the primary concern of Hope for Justice. As such, the management review and follow advice from regional and national governments to minimise unnecessary contact and following all health & safety guidelines where contact is deemed necessary as part of our activities.

Where our activities have had to be reduced, we have worked with donors about the best use of funds, being either redirected to other activities or extending the period over which the funds could be utilised.

From a cost base perspective, the pandemic has meant that we have had to embrace a hybrid way of working, making use of new technologies. As such, our cost base for travel has been

significantly reduced. As we exit the current state, we will begin to move towards more travel, but this will be much reduced than was previously the case as we optimise our resources. We continue to review our cost base and ensure that costs are at an appropriate level.

As stated in Note 4, we have utilised the Government COVID-19 Job Retention Scheme (Furlough) and received £144,948 during the year.

Plans for the future

It is still the intention of the board to move all transactions from Retrak to Hope for Justice and for Retrak to become a dormant entity. This is also the plan for No More Traffik (acquired post year-end). In the US, the intention for both OK200: Stop the Traffik and LiliPad Haven is to move all transaction into Hope for Justice Inc. and wind up the legal entities.

The investment in the social enterprise Slave Free Alliance has opened a fantastic opportunity for Hope for Justice to move more quickly towards its goal of ending modern day slavery in the United Kingdom. During this year, there has been further investment in infrastructure and sales development, which has driven sales and profitability (aided by the COVID Job Retention Scheme). The trustees anticipate and are prepared to provide further financial support during the coming year as sales momentum builds. However, having reviewed sales and cost projections they are confident that Slave Free Alliance will continue to be income generative in the foreseeable future, and so be in a position to repay the loans made to it. The trustees therefore continue to monitor the financial development of Slave Free Alliance to ensure charity funds are wisely invested, and to monitor the efficacy of its work in removing human exploitation from companies' supply chains.

To be able to carry on its commitment to its aims globally, Hope for Justice has acquired two charitable organisations in the USA, and post year-end has incorporated as commercial company Slave Free Alliance Inc. and acquired a charitable organisation in Northern Ireland.

The board and executives are constantly seeking opportunities to merge like-minded charities into the Hope for Justice family, with the aim of making the enlarged whole more efficient and effective in all aspects of the fight against human trafficking.

Structure, governance and management

Constitution

Hope for Justice is a UK company limited by guarantee (company number 6563365), governed by its Memorandum and Articles of Association which were adopted on its incorporation on 11 April 2008 and amended on 15 June 2021. It is registered as a charity with the UK Charity Commission (charity number 1126097), and with the Scottish Charity Regulator (charity number SC045769).

At 31 March 2021, there were nine member-trustees each of whom has agreed to contribute £10 in the event of the charity winding up.

Method of appointment or election of trustees

Trustees are appointed by the members and trustees retire after three years' service at the AGM. New trustees undertake an induction process in order to brief them of their obligations under charity and company law, the structure, activities and processes of the charity and to meet key employees. Trustees are voluntary and receive no remuneration or financial benefit.

Organisational structure and decision making

The trustees approve the strategic direction and the annual budget of the charity and meet at least four times a year. The Chief Executive Officer has responsibility for running the organisation on behalf of the trustees and leads the Executive Team. This team recommends strategy to the trustees and provides day-to-day management, including accountability and oversight in all legal, contractual and financial responsibilities relating to the charity's business.

As the Group continues to grow, the trustees are reviewing the governance and oversight structure to ensure this remains both efficient and effective.

During the year, the trustees received allegations regarding the behaviour of the CEO Ben Cooley. Following a thorough investigation of these claims and an appeal process, the findings of gross – misconduct were upheld and Ben Cooley was dismissed in June 2021. Tim Nelson, who had been acting CEO during Ben Cooley's suspension, was appointed permanently into this role.

The trustees are supported by three sub-committees comprised of main trustee board members, special advisers and executives:

The Risk and Compliance Sub-Committee – which has a brief to review and monitor programmatic and operational risks

The Finance Sub-Committee – which inter alia has a brief to review and monitor financial risks

The People and Culture Sub-Committee – which has been set up post year end to consider and review all aspects affecting staff and the culture within Hope for Justice.

During this financial year, the Risk and Compliance Sub-Committee and the Finance Sub-Committee each met on three occasions. All committees have met after the year-end.

The trustee membership of each committee is shown on page 1.

Risk management

The trustees take the identification of operational, financial and reputational risk seriously. The trustees have put in place structures to ensure that the many and varied risks Hope for Justice is exposed to are identified, addressed as appropriate and monitored effectively.

The day-to-day running of the organisation, and therefore the identification, reporting and mitigation of risk is tasked to the CEO and the Executive Team. The Executive execute their

responsibilities through a robust risk identification procedure, which has been refined over a number of years. In turn, the Executive Team recognises that risk identification is only as good as the embedding of risk recognition and reporting of our staff, so regular training is provided to reinforce the process. The ultimate outputs from incident reporting are a number of focused risk registers, which are maintained and reviewed on a regular basis. The topic of risk is a standing item on Executive Team meeting agendas and it also receives reports from the Trustee Risk and Compliance Sub-Committee, which reviews all the risk registers prepared by the Executive Team in detail.

The most significant risks last year were:

COVID 19 there was huge uncertainty going into the year, but our plan around cost control, and donor involvement as well as a move to digital channels, meant we were able to build reserves for what remains an uncertain future. In addition, due to the dedication of our staff, the frontline activities were affected only in a limited nature.

Programme quality. Our programmes continues to grow and expand in depth and breadth, we will cross-pollinate our programme knowledge and experiences to ensure we deliver 'best of breed' throughout.

Reduction in Global Economy. The impact of COVID 19 on the Global economy as well as our own activities was unknown. It is though that this should remain a high risk, as there is concern that the impact will be delayed as subsequent spikes are felt worldwide as different countries deal with the pandemic at differing speeds.

The main risks to be managed in the year ahead:

Security & safeguarding – This is such an important area that a role of Head of Security & Safeguarding has been created. This is to cover both our staff and those in our care. In addition, Hope for Justice has joined the Misconduct Disclosure Scheme as recommended by the Charities Commission. As frontline activities grow in new areas and new countries and there is continuing unrest in some of the countries in which we have a presence, it is key focus and will form a significant part of our reviews and training.

Reduction in Global Economy. There is the risk of income reduction due to the income/wealth of donors, investment income value for trusts and foundations as well as the reduction in Government spending on aid. The strategy of the Group is continually being reviewed by the Executive team and ensures that opportunities for growth are managed, as is the effectiveness and cost base of programmes in the light of potential reduced income.

Programme quality. This is an ongoing risk and our programmes continue to grow and expand in depth and breadth and we continually review the strategy for delivery and location so we deliver the "best of breed" throughout, ensuring we continue to meet the needs of those we care for and deliver what our donors require, where appropriate, through our continual Monitoring, Evaluation, Research & Learning teams.

Statement of responsibilities of the trustees

The directors (who are also trustees of the charitable activities for the purpose of charity law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with general applicable law and United Kingdom Accounting Standards (United Kingdom General 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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 auditors are aware of that information

Hope for Justice

Trustees' annual report

For the year ended 31 March 2021

Auditors

Crowe U.K. LLP have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 26 November 2021 and signed on their behalf by



R. Camp

Chair

Opinion

We have audited the financial statements of Hope for Justice ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated 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 group's and the charitable company's affairs as at 31 March 2021 and of the group's 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 group 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 or the group'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 contained within the annual report. The other information comprises the information included in the 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.

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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members and significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation, employment legislation and Health & Safety legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities,

Independent auditors' report

To the members of Hope for Justice

including fraud, to be within the timing of recognition of grant and voluntary income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Sub-Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and sample testing of grant and voluntary income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions, we have formed.



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Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

Date 17th February 2022

Hope for Justice

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Incoming and endowments from:					
Donations and legacies	2	4,558,242	2,816,863	7,375,105	6,305,089
Charitable activities	3	29,575	–	29,575	52,869
Other trading activities	4	675,535	–	675,535	395,466
Income from investments	5	1,145	–	1,145	2,122
Total		5,264,497	2,816,863	8,081,360	6,755,546
Expenditure on:					
Raising funds		811,895	–	811,895	834,295
Charitable activities	6	2,919,430	2,310,614	5,230,044	5,048,504
Other trading costs		566,193	–	566,193	505,858
Total		4,297,518	2,524,887	6,608,132	6,388,657
Net income		966,979	506,249	1,473,228	366,889
Transfers between funds		1,489	(1,489)	–	–
Exchange differences arising on consolidation		(36,227)	(6,270)	(42,497)	(22,039)
Net movement in funds for the period		932,241	498,490	1,430,731	344,850
Reconciliation of funds					
Total funds brought forward		1,993,263	899,231	2,892,494	2,547,644
Total funds carried forward		2,925,504	1,397,721	4,323,225	2,892,494

The group has no recognised gains or losses other than the results for the period as set out above.

All the activities of the charity are classed as continuing

The notes on pages 26 to 40 form part of these financial statements

Balance Sheets

For the year ended 31 March 2021

		Group		Charity	
	Notes	2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	9	171,730	168,305	35,973	27,664
Investments	10	102,543	102,543	3,625	3,625
		<u>274,273</u>	<u>270,848</u>	<u>39,598</u>	<u>31,289</u>
Current assets					
Stock	11	22,021	30,749	–	23,761
Debtors	12	271,120	392,873	359,734	651,181
Cash at bank and in hand		4,286,308	2,567,657	2,076,254	1,061,302
		<u>4,579,449</u>	<u>2,991,279</u>	<u>2,435,988</u>	<u>1,736,244</u>
Liabilities					
Creditors: Amounts falling due within one year	13	530,497	369,633	686,213	258,838
Net current assets		<u>4,048,952</u>	<u>2,621,646</u>	<u>1,749,775</u>	<u>1,477,406</u>
Total net assets		<u><u>4,323,225</u></u>	<u><u>2,892,494</u></u>	<u><u>1,789,373</u></u>	<u><u>1,508,695</u></u>
The funds of the charity					
Total general funds	18	1,610,461	1,993,263	1,225,207	956,360
Total designated funds	18	1,315,043	–	–	–
Total restricted funds	18	1,397,721	899,231	564,166	552,335
Total charity funds	18	<u><u>4,323,225</u></u>	<u><u>2,892,494</u></u>	<u><u>1,789,373</u></u>	<u><u>1,508,695</u></u>

As permitted by s408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes as it prepares group accounts. The charity's surplus and total comprehensive gain for the year was £280,678 (2020 – £525,861)

The financial statements were approved by the board on 26 November 2021 and signed on its behalf by:


Robert Culp
Chair

The notes on pages 26 to 40 form part of these financial statements

Consolidated statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net income for the reporting period (as per the statement of financial activities)	1,473,228	366,889
Adjustments for:		
Depreciation charges	61,844	72,465
Exchange differences on consolidation	(42,497)	(22,038)
Dividends, interest and rents from investments	(1,145)	(2,122)
Decrease/(increase) in stocks	8,728	(16,923)
Decrease/(increase) in debtors	121,753	(190,751)
Increase/(decrease) in creditors	160,864	(41,977)
Net cash provided by operating activities	1,782,775	165,543
Cash flows from investing activities:		
Dividends, interest and rents from investments	1,145	2,122
Purchase of property, plant and equipment	(68,269)	(112,240)
Net cash used in investing activities	(64,124)	(110,118)
Change in cash and cash equivalents in the reporting period	1,718,651	55,425
Cash and cash equivalents at the beginning of the reporting period	2,567,657	2,512,232
Cash and cash equivalents at the end of the reporting period	4,286,308	2,567,657
Analysis of cash and cash equivalents	2021 £	2020 £
Cash in hand	12,468	32,741
Notice deposits (less than 30 days)	4,198,840	2,459,916
Notice deposits (more than 30 days)	75,000	75,000
Total cash and cash equivalents	4,286,308	2,567,657

Notes to the financial statements

For the year ended 31 March 2021

1.1 Accounting policies

The accounts of the company are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice – (FRS 102) (1 January 2019) – (Charities SORP (FRS 102)). They incorporate the results of the principal activity which is described in the directors' report and which is continuing.

The company was incorporated on 11 April 2008 in England & Wales as a Private Limited Company by guarantee without share capital with use of 'Limited' exemption. The principle place of business is PO Box 5527, Manchester, M61 0QU and it operates as a Public Benefit Entity.

1.2 Going Concern

At 31 March 2021, the group had net assets of £4.21 m, which is sufficient for six months of activity at historic levels. The directors have prepared detailed trading and cash flow forecasts which show the group being able to operate for the foreseeable future without seeking borrowings or overdrafts

The trustees are satisfied that the group can continue to operate and pay its debts as they fall due, and have prepared the accounts on the going concern basis accordingly.

1.3 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based upon historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revisions and future periods where the revision affects both current and future periods.

Impairment of non-current assets

The determination of whether there are indicators of impairment of the group's tangible assets. The factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

There are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of any assets or liabilities.

1.4 Fund accounting

The charity has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

- | | |
|---------------------------|--|
| Unrestricted funds | – Funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity |
| Restricted funds | – Restricted funds can only be used for particular restricted purposes within the objectives of the charity. These arise when funds are subject to specific restrictive conditions imposed by funders/donors or by the purpose of the grant. |
| Designated funds | – The Directors may at their discretion set aside unrestricted funds for specific purposes |

Notes to the financial statements

For the year ended 31 March 2021

1.5 Assets policy

a) Fixed assets are included at cost or valuation.

b) Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

Freehold Property	25% straight line
Motor Vehicles	25% straight line
Fixtures & fittings	20% – 33% straight line
Computer & equipment	25% – 33% straight line

1.6 Incoming resources

- a) All grants and voluntary income are accounted for gross when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.
- b) Charitable activities, trading and merchandising income is accounted for when earned. Activity income received in advance is deferred until entitlement to the income has arisen at which time it is credited to the Statement of Financial Activities (SOFA).
- c) Gifts in kind are included at valuation. No amounts are included in the financial statements for services donated by volunteers.
- d) Restricted income is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

1.7 Resources expended

- a) All expenditure is accounted for on an accruals basis. Irrecoverable VAT is included within the relevant expense of the charity in the year.
- b) Grants payable comprise gifts to individuals and charitable organisations with similar objectives.
- c) Activities in furtherance of the charity's objectives include the direct costs of staff and property.
- d) The trustees consider the management and administration costs of the Charity are not material when taken in the context of amounts spent on charitable activities. All members of staff have been active in fulfilling the objectives of the charity.

1.8 Basis of consolidation

The consolidated financial statements incorporate those of Hope For Justice and all of its subsidiaries (ie entities that the group controls through its power to govern and manage the financial and operating policies). The definition of subsidiary has been revisited and now includes those entities that are not directly owned but are directly controlled under a unified management system. As such the basis of consolidation has been amended and the prior year figures restated.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions and balances between group entities are eliminated on consolidation and there are no restrictions on the ability of subsidiaries to transfer funds to the parent charity.

1.9 Investments

Fixed asset investments are stated at historical cost less provision for diminution in value.

1.10 Stocks

Notes to the financial statements

For the year ended 31 March 2021

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete or slow moving stocks. Cost include all direct costs and an appropriate proportion of fixed and variable overhead expenses. Net realisable value is based on the estimated selling price less the estimated cost of disposal.

1.11 Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

2 Donations and legacies

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Donations and legacies	4,558,242	2,816,863	7,375,105
	<u>4,558,242</u>	<u>2,816,863</u>	<u>7,375,105</u>

Donations and legacies

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Donations and legacies	3,637,838	2,667,251	6,305,089
	<u>3,637,838</u>	<u>2,667,251</u>	<u>6,305,089</u>

3 Charitable activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Speaker and trainer fees	29,575	–	29,575
Sale of 'awareness' merchandise	–	–	–
	<u>29,575</u>	<u>–</u>	<u>29,575</u>

Charitable activities

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
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Hope for Justice

Notes to the financial statements

For the year ended 31 March 2021

Speaker and trainer fees	40,467	–	40,467
Sale of 'awareness' merchandise	12,402	–	12,402
	<u>52,869</u>	<u>–</u>	<u>52,869</u>

4	Other trading activities	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
	Slave Free Alliance	530,587	–	530,587
	Government Grants	144,948	–	144,948
		<u>675,535</u>	<u>–</u>	<u>675,535</u>

Slave Free Alliance includes income from wholly owned subsidiaries, Slave Free Alliance Limited (£508,274) and Slave Free Alliance Australia Limited (£22,313). The Government Grants relate to salary costs recovered under the COVID-19 Job Retention Scheme.

	Other trading activities	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
	Slave Free Alliance Limited	395,466	–	395,466
		<u>395,466</u>	<u>–</u>	<u>395,466</u>

5	Income from investments	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
	Bank interest	1,145	–	1,145
		<u>1,145</u>	<u>–</u>	<u>1,145</u>

	Income from investments	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
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Notes to the financial statements

For the year ended 31 March 2021

Bank interest	2,122	–	2,122
	<u>2,122</u>	<u>–</u>	<u>2,122</u>

6 Analysis of expenditure on charitable activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total 2021 £
Prevent	909,096	144,815	1,053,911
Rescue	1,822,001	290,237	2,112,238
Restore / Reform	1,780,301	283,594	2,063,895
	<u>4,511,398</u>	<u>718,646</u>	<u>5,230,044</u>

Support costs are all the costs that are not directly identifiable to a particular programme or activity and include human resources and payroll, information technology; finance; marketing; communications; head office staff and establishment costs; and general administration. Allocation is made on a per capita basis.

Analysis of expenditure on charitable activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total 2020 £
Prevent	810,854	54,732	865,586
Rescue	2,558,535	172,698	2,731,233
Restore /Reform	1,359,895	91,790	1,451,685
	<u>4,729,284</u>	<u>319,220</u>	<u>5,048,504</u>

7 Auditor's Remuneration	2021 £	2020 £
Fees payable to The Charity's auditor for the audit of The Charity's annual accounts	10,300	10,000
Fees payable to The Charity's auditor and its associates for other services		
Audit of accounts of subsidiaries	9,045	10,673

Notes to the financial statements

For the year ended 31 March 2021

Tax compliance services	400	875
Total audit fees	19,745	21,548

8	Employee Benefits	2021 £	2020 £
	Salaries and Wages	3,512,983	2,697,134
	Social Security costs	332,895	158,700
	Employers Pension contributions (defined contribution scheme)	99,069	115,367
		3,944,947	2,971,202

Pension contributions are allocated to the activity or fund (restricted or unrestricted) on the basis of the work undertaken by the individual concerned. Allocation of support staff costs are explained in detail in note 6.

Number of employees who received £60,000–£69,999 p.a.	4	2
Number of employees who received £70,000–£79,999 p.a.	–	1
Number of employees who received £80,000–£89,999 p.a.	2	–
Average number of employees	355	312

Remuneration paid to the trustees in their capacity as trustees during the year was £nil (2020 – £nil). Employee benefits paid to an increased management team during the year was £514,842 (2020 – £364,768)

Within the management team, the Key Management Personnel are as follows:

Chief Executive Officer
 Chief Financial Officer
 International Operations Director
 International Development Director
 International Programme Director
 Head of Digital & Communications
 Chief Strategy Officer

9 Tangible Fixed Assets

	Group			Total
	Freehold Property	Fixtures, fittings and equipment	Motor Vehicles	
	£	£	£	£
Cost or valuation				
At 1 April 2020	49,503	301,850	168,043	519,396
Additions in year	–	60,303	5,412	65,715
Disposals in year	–	(1,968)	–	(1,968)
At 31 March 2021	49,503	360,185	173,455	583,143
Depreciation				
At 1 April 2020	25,029	234,232	91,830	351,091
Charge for the year	3,071	30,351	28,422	61,844
Disposals in year	–	(1,522)	–	(1,522)
At 31 March 2021	28,100	263,061	120,252	411,413
Net book value				
At 31 March 2021	21,403	97,124	53,203	171,730
At 31 March 2020	24,474	67,618	76,213	168,305
	Charity			Total
		Fixtures and fittings	Computers and equipment	
			£	£
Cost or valuation				
At 1 April 2020		37,156	87,376	124,532
Additions in year		–	22,025	22,025
At 31 March 2021		37,156	109,401	146,557
Depreciation				
At 1 April 2020		33,727	63,141	96,868
Charge for the year		1,691	12,025	13,716
At 31 March 2021		35,418	75,166	110,584
Net book value				
At 31 March 2021		1,738	34,235	35,973
At 31 March 2020		3,429	24,235	27,664

Notes to the financial statements

For the year ended 31 March 2021

10 Investments	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Land held at fair value	102,543	102,543	–	–
Investment in subsidiaries	–	–	3,625	3,625

The land is owned by The Tiger Club Project Limited a subsidiary of Hope for Justice. The company is registered in Uganda as a company limited by guarantee. The purpose of the company is to hold title to land in Uganda that is used with the charitable operations of the branch in Uganda.

Details of the company's subsidiaries at 31 March 2021 are as follows:

Subsidiary Undertaking	Country of Incorporation	Registered Number	Holding	Proportion of voting rights and shares held	Principal activity
No More Slaves Ltd	England & Wales	08692709	Ordinary	100%	Dormant
Hope for Justice International	England & Wales	09440540	Ordinary	100%	Dormant
Slave Free Alliance Ltd	England & Wales	11258651	Ordinary	100%	A social offering businesses a range of services to help them identify and remove human exploitation from their supply chains. The services include awareness training, gap analysis, due diligence, risk management and help with investigations, crisis response, remediation and Slavery and Human Trafficking Statements.
Hope for Justice AS	Norway	915 520 995	Ordinary	100%	Advance the education of the public regarding people trafficking and slavery
Hope for Justice (Australia) Limited	Australia	ABN 28 639 382 782	Ordinary	100%	Advance the education of the public regarding people trafficking and slavery
Slave Free Alliance (Australia) Limited	Australia	ABN 17 639 408 647	Ordinary	100%	Same as Slave Free Alliance in England in Wales

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2021

Subsidiary Undertaking	Country of Incorporation	Registered Number	Basis of consolidation	Principal activity
Retrak	England & Wales	6424507	Unified Management Control	Aligned with Hope for Justice
Hope For Justice Inc.	Tennessee, USA	75-3179471	Unified Management Control	Aligned with Hope for Justice
OK200:Stop The Traffic	Iowa, USA	46-4678820	Unified Management Control	Aligned with Hope for Justice
Lili Pad Haven Inc.	North Carolina, USA	45-3036117	Unified Management Control	Aligned with Hope for Justice
The Tigers Club Project Limited	Uganda		Unified Management Control	Hold title to land in Uganda that is used with the charitable operations of Retrak's branch in Uganda

Subsidiary Undertaking	Retrak	Hope for Justice Inc.	Hope for Justice AS	Slave Free Alliance Limited
	£	£	£	£
Assets at 31/3/21	1,085,237	1,148,869	424,935	186,656
Liabilities at 31/3/21	(108,087)	(148,507)	(52,023)	(310,979)
Net Funds at 31/3/21	977,150	1,000,362	372,912	(124,323)
Income for Year to 31/3/21	2,544,618	2,767,569	327,577	581,177
Expenditure for Year to 31/3/21	2,147,103	2,310,741	255,743	566,132
Surplus/(deficit) for Year to 31/3/21	397,515	456,828	71,834	15,045

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2021

Subsidiary Undertaking	OK200 – Stop the Traffic Inc.	Lili Pad Haven Inc.	Hope for Justice (Australia)	Slave Free Alliance (Australia)	The Tigers Club Project Limited	No More Slaves Limited	Hope for Justice International Limited
	£	£	£	£	£	£	£
Assets at 31/3/21	15,673	210,073	3,811	23,959	102,543	847	1
Liabilities at 31/3/21	–	(35,585)	(2,912)	(409)	–	(989)	–
Net Funds at 31/3/21	15,673	174,488	899	23,549	102,543	(142)	1
Income for Year to 31/3/21	123,282	220,771	21,528	22,313	–	–	–
Expenditure for Year to 31/3/21	107,609	46,283	20,629	(1,236)	–	–	–
Surplus/(deficit) for Year to 31/3/21	15,673	174,488	899	23,549	–	–	–

11 Stock	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Finished goods	22,021	30,749	–	23,761

The stock is valued at purchase price.

12 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	203,625	311,942	21,276	191,155
Other debtors	42,749	30,715	321,023	422,086
Prepayments	24,746	50,216	17,435	37,940
	271,120	392,873	359,734	651,181

Other debtors of £321,023 (2020 : £422,086) includes £247,568 owed by subsidiary Slave Free Alliance (2020 : £234,478), £0 owed by subsidiary Retrak (2020: £12,197), £nil owed by Hope for Justice Inc. an affiliated company

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2021

incorporated in US (2020 : £98,010), £17,091 owed by Hope for Justice AS a subsidiary company incorporated in Norway (2020 : £69,273) and £34,285 owed by Hope for Justice Australia Limited (2020 : £nil)

The amount owed by Slave Free Alliance is an interest free loan. The loan finance was provided as start-up and working capital for the trading subsidiary and will be repaid in full.

13 Creditors	Group		Charity	
	2021	2020	2021	2020
Amounts falling due within 1 year:	£	£	£	£
Trade creditors	42,076	57,737	35,824	39,735
Other creditors	223,591	159,734	532,828	114,760
Social Security and Other Taxes	150,052	85,080	64,871	53,839
Accruals and deferred income	114,778	67,082	52,688	50,504
	530,497	369,633	686,211	258,838

Other creditors of £532,828 (2020: £114,760) includes £227,458 owed to Hope for Justice Inc. an affiliated company incorporated in US (2020: £nil) and £152,993 owed to Retrak (2020: £nil)

14 Transactions with related parties

During the year, there were no travel and subsistence payments to Directors (2020 : £1,495)

During the year, there were no purchases from related parties.

During the year, First Fruits Ltd paid a membership fee of £nil to Slave Free Alliance Ltd (2020 £600).
Gareth Henderson, a director during the year is also a director of First Fruits Limited.

15 Donations from directors

The total amount given to the charity by its trustees during the year was £13,050 (2020 – £14,000)

16 Analysis of Group net assets by fund

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	171,730	–	171,730
Investments	102,543	–	102,543
Current assets	3,181,728	1,397,721	4,579,449
Current liabilities	(530,497)	–	(530,497)
	2,925,504	1,397,721	4,323,225

Analysis of Group net assets by fund

Unrestricted	Restricted	Total
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Notes to the financial statements

For the year ended 31 March 2021

	Funds	Funds	2020
	£	£	£
Tangible fixed assets	168,214	-	168,214
Investments	102,543		102,543
Current assets	2,092,139	899,231	2,991,370
Current liabilities	(369,633)	-	(369,633)
	1,993,263	899,231	2,892,494

17 Analysis of Charity net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Tangible fixed assets	35,973	-	35,973
Investments	3,625	-	3,625
Current assets	1,871,822	564,166	2,435,988
Current liabilities	(686,213)	-	(686,213)
	1,225,207	564,166	1,789,373

Analysis of Charity net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Tangible fixed assets	27,664	-	27,664
Investments	3,625	-	3,625
Current assets	1,183,909	552,335	1,736,244
Current liabilities	(258,838)	-	(258,838)
	956,360	552,335	1,508,695

18 Analysis of Group Funds

B/fwd 01/04/20	Received in year	Utilised in year	Transfer in funds	C/fwd 31/03/21
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Notes to the financial statements

For the year ended 31 March 2021

	£	£	£	£	£
Prevent	175,906	817,450	(477,382)	(228)	515,746
Rescue	525,754	941,551	(765,547)	(858)	700,900
Restore / Reform	197,571	1,057,862	(1,073,955)	(403)	181,075
Restricted Funds	899,231	2,816,863	(2,316,884)	(1,489)	1,397,721
General Fund	1,993,263	5,264,497	(4,333,745)	(1,315,043)	1,610,461
Designated Funds					
Fixed asset				275,071	275,071
Building & equipment				91,972	91,972
Facilities				150,000	150,000
Strategic plan				628,000	628,000
Capital				170,000	170,000
				1,315,043	1,315,043
Unrestricted Funds	1,993,263	5,264,497	(4,333,745)	1,489	2,925,504
Total Funds	2,892,494	8,081,360	(6,650,629)	-	4,323,225

	B / fwd 01 / 04 / 19 £	Received in year £	Utilised in year £	Transfer in funds £	C / fwd 31 / 03 / 20 £
Prevent	130,508	618,390	(557,354)	(15,638)	175,906
Rescue	362,258	1,160,369	(884,759)	(112,114)	525,754
Restore / Reform	387,590	888,492	(1,041,588)	(36,923)	197,571
Restricted Funds	880,356	2,667,251	(2,483,701)	(164,675)	899,231
Unrestricted Funds	1,667,288	4,088,295	(3,926,995)	164,675	1,993,263
Total Funds	2,547,644	6,755,546	(6,410,696)	-	2,892,494

Purposes of restricted funds

The restricted funds are held to further the aims in UK and overseas, which are our four key programmatic areas: preventing exploitation, rescuing victims, restoring lives and reforming society. The work comprises activities including advocacy services, outreach, shelter, medical services and education; preventative work in communities; healthy parenting with families; liaising with and training Government officials; preparing research documents

Designated Funds

The trustees recognise the importance of establishing a reserves policy in line with the Charity Commission's CC19 Charity Reserves: building resilience

Notes to the financial statements

For the year ended 31 March 2021

The Charity will keep under regular review the level of its reserves and its reserves policy and will review this policy at least annually. The Charity will continue to run its finances in an efficient and cost effective manner with the objective of maintaining a balanced budget and to get the maximum value from Charity expenditures. However, the Charity recognises that there are inherent uncertainties in the budgeting process and that prudent financial management may require the maintenance of unrestricted reserves in certain circumstances. The policy is a group wide policy and is applied to total reserves and is not split by geography or legal entity. The Charity has identified through a risk review process that it may have to hold reserves for designated purposes. The level of each designated reserve is reviewed on an annual basis. This is the first year of this policy and so there are no comparative figures.

Designated Fixed Assets Reserve

The Charity owns tangible fixed assets used to carry out the charity's activities, such as land and buildings. These functional fixed assets which are essential to the operations of the Charity are not, therefore, considered to be liquid assets that could be used to fund the potential contingencies. As such, they are treated as a Designated Reserve. The value of this reserve is equal to the net book value of fixed assets acquired from unrestricted funds.

Designated Emergency Buildings and Equipment Reserve

The Charity will normally maintain reserves to provide funds for emergency repairs or improvements to its buildings and equipment. The Charity has set a range of 20–40% of annual property, equipment & repair costs for this reserve to allow the reserve to flex with the size of the cost base.

Designated Facilities Reserve

The Board is committed to assuring the Charity's long-term physical health and so in addition to providing short-term emergency reserves for emergency repairs above, it has established a long-term Facilities Reserve to help provide funds for potential capital expenditure on expansion projects as the Charity grows. The Charity has set a range of 20–50% of annual property, equipment & repair costs for this reserve but should reflect the planned growth strategy of the Charity both in existing countries to accommodate increased staffing but also expansion into new areas or countries.

Designated Strategic Plan Reserve

This reserve recognises that current operating income may not be available to explore new strategic opportunities involving new projects or programs in countries where the Charity already operates or in new parts of the world. This reserve may also be required to help fund the closure of existing projects or programs that no longer meet the goals of the Charity. The quantum of this reserve will be determined by specific items within the Charity's strategic plans for growth and expansion. The Charity expects that this items in this reserve to be utilised within 2–3 years of its creation.

Designated Capital Reserve

In addition to the Facilities Reserve, which provides funds for future facility developments, the Board is committed to ensuring that funds are available for anticipated long-term capital expenditures. The quantum of this reserve will be determined by specific items within the Charity's strategic plans Capital Projects to allow for new systems & infrastructure to support the growth of the Charity. This excludes new properties which is within the Facilities Reserve above.

General Reserves

The Board reviews the financial risks facing the Charity and the financial needs of the Charity on a regular basis and in response create reserves to offset these risks and/or meet the needs. The Charity needs to ensure that it has sufficient general reserves to meet its immediate liabilities and commitments, such as staff

Notes to the financial statements

For the year ended 31 March 2021

salaries, rents and other committed expenditure, not covered by specific funding with restricted reserves. Approximately three months to six months cover is required.

19 Operating leases

As at 31 March 2021, the Charity had future commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Land and buildings				
Less than one year	195,842	268,988	66,992	66,992
Between two and five years	77,489	207,219	-	66,992
	273,331	476,207	66,992	133,984

20. Reconciliation of net debt

	At 1 April 2020	Cash flows	Other changes	At 31 March 2021
	£	£	£	£
Cash at bank and in hand	2,567,657	1,699,304	19,347	4,286,308
Total cash and cash equivalents	2,567,657	1,699,304	19,347	4,286,308

21. Post Balance Sheet Events

On 1 September 2021, Hope for Justice became the sole member of No More Traffik Limited (company number NI 614396), a registered charity in Northern Ireland. This acquisition will help Hope for Justice further its objectives with the UK and Europe.

On 10 August 2021 Slave Free Alliance Inc. (EIN 87-2097945) was incorporated in the state of Delaware and is a 100% subsidiary of Hope for Justice Inc.

On 8 June 2021 Hope for Justice ceased to be a director and shareholder of Threesixty Consultants Limited, a company in which it did have a 40% holding but received no dividends. The company has since applied to be voluntarily struck-off and dissolved.