THE FREEDOM FUND UK

England & Wales · Charity number 1158838

Details

Other names	FF-UK
Status	Registered
Legal form	Charitable company
Company number	08926428
Registered	2014-10-10
Register	View on the Charity Commission register

Contact

Address	Lower Ground Floor Caledonia House 223 Pentonville Rd London
Phone	02037772200
Email	info@freedomfund.org
Website	http://www.freedomfund.org/

Activities

Objects: THE CHARITY'S OBJECTS ARE TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) THROUGHOUT THE WORLD BY ALL OR ANY OF THE FOLLOWING MEANS:1) THE REDUCTION AND ERADICATION OF HUMAN TRAFFICKING IN ALL ITS FORMS, INCLUDING THE ADOPTION OF MEANS BY WHICH TO COMBAT MODERN SLAVERY;2) THE PREVENTION AND RELIEF OF SUFFERING OF THE VICTIMS OF HUMAN TRAFFICKING AND OTHER MODERN FORMS OF SLAVERY BY PROVIDING MEDICAL, PSYCHOLOGICAL, EDUCATIONAL, SOCIAL AND OTHER SUPPORT SERVICES TO SUCH PERSONS;3) THE RELIEF OF FINANCIAL AND OTHER HARDSHIP OF THE VICTIMS OF HUMAN TRAFFICKING AND OTHER MODERN FORMS OF SLAVERY;4) THE PROMOTION OF RESEARCH INTO ALL ASPECTS OF HUMAN TRAFFICKING AND MODERN SLAVERY AND THE DISSEMINATION OF THE USEFUL RESULTS OF SUCH RESEARCH; AND5) THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC IN THE CAUSES, MANIFESTATIONS AND CONSEQUENCES OF HUMAN TRAFFICKING AND OTHER MODERN FORMS OF SLAVERY AND THE PROVISION OF RELATED ADVICE AND SUPPORT TO GOVERNMENT BODIES, POLICE FORCES, BORDER AND IMMIGRATION AGENCIES AND OTHER ENFORCEMENT ORGANISATIONS.

Activities: THE FREEDOM FUND IS A PHILANTHROPIC INITIATIVE DESIGNED TO BRING MUCH-NEEDED STRATEGIC FOCUS AND FINANCIAL RESOURCES TO THE FIGHT AGAINST MODERN SLAVERY. WITH AN EXPERT TEAM AND GLOBAL PERSPECTIVE, THE FREEDOM FUND IDENTIFIES AND INVESTS IN THE MOST EFFECTIVE FRONTLINE EFFORTS TO END SLAVERY IN THE COUNTRIES AND SECTORS WHERE IT IS MOST PREVALENT.

Classification

- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Prevention Or Relief Of Poverty, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- India
- Nepal
- United States

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,729,859	£3,752,640	£49,450	42
2023-12-31	£3,533,182	£3,555,014	£71,178	44
2022-12-31	£3,254,718	£3,276,845	£98,323	38
2021-12-31	£2,673,408	£2,691,440	£107,409	36
2020-12-31	£2,680,121	£2,691,477	£132,630	30

Trustees

Name	Role	Appointed
Andrew Doust		2016-05-24
Asif Shaikh		2024-01-17
Daniel Elkes		2025-11-13
Joseph Boateng		2025-11-13
Katharine Bryant		2023-11-09
MICHELLE YUE		2024-01-17
Mahendra Pandey		2020-03-10
Molly Sarah Gochman		2016-05-24
Shruti Chandrasekhar		2024-01-17

Accounts

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

THE FREEDOM FUND UK

Registered Company number - 08926428 (England and Wales)
Registered Charity number – 1158838 (England and Wales)

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2024

Reference & administrative details

Registered office
Lower Ground, Caledonia House
223 Pentonville Road
London N1 9NG

Trustees
Mr. A Doust
Ms. M Gochman
Mr. M Pandey
Ms. N Dolby (Resigned 2nd May 2024)
Ms. K Bryant
Ms. M Yue (Appointed 17th January 2024)
Mr. A Shaikh (Appointed 17th January 2024)
Ms. S Chandrasekhar (Appointed 17th January 2024)

Company Secretary
Ms. Z Marshall

Key management personnel

Chief Executive Officer
Mr. Nick Grono
Managing Director of Programs
Mr. Dan Vexler
Director of Programs
Ms. Havovi Wadia
Managing Director External Relations
Ms. Amy Rahe (Resigned 25th November 2024)
Managing Director External Relations
Dr. Xanthe Scharff (Appointed 3rd February 2025)
Managing Director Finance and Administration
Ms. Zoe Marshall

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

Principal bankers
Metro Bank
1 Southampton Row
London WC1B 5HA

Solicitors
Bates, Wells and Braithwaite,
10 Queen St Pl,
London EC4R 1BE

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2024

Trustees' report

Structure, governance & management
The Freedom Fund UK is a part of the Freedom Fund charities. It is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838) and governed by a Memorandum and Article of Association.

The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund, which also holds the power to appoint trustees to the board of directors. The Freedom Fund UK has no fundraising activity requiring disclosure under S162A of the Charities Act 2011.

The trustees are committed to maintaining high standards of governance and are satisfied that the charity applies the principles of the Charity Governance Code within its current governance arrangements. The Freedom Fund UK's compliance with the Code will be reviewed on an annual basis.

Directors serve three year terms, although they may be eligible for re-election. Trustees are inducted by the CEO and Chair of the charity as well as being provided with a pack of useful governance documents. Board meetings are organised so as to provide further opportunities for trustees to gain a deeper understanding of the Freedom Fund's work - for example by being timed to coincide with convenings that bring together sector experts, representatives of our partner organisations overseas, and other funders. Trustees also visit the overseas work of the organisation during the course of normal year.

Public Benefit Statement
The trustees have considered the issue of public benefit and are confident that the breadth and scope of work undertaken, as disclosed in this report, complies with Section 17 of the Charities Act 2011 and has due regard to the Charity Commission's general guidance on public benefit. The trustees consider FFUK's work as part of the Freedom Fund Group to address human trafficking clearly meets the Commission's public benefit test.

Objects & activities
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- the reduction and eradication of human trafficking in all its forms, including the adoption of means by which to combat modern slavery;
- the prevention and relief of suffering of the victims of human trafficking and other modern forms of slavery by providing medical, psychological, educational, social and other support services to such persons;
- the relief of financial and other hardship of the victims of human trafficking and modern slavery and the dissemination of the useful results of such research; and
- the advancement of the education of the public in the causes, manifestations and consequences of human trafficking and other modern forms of slavery and the provision of related advice and support to government bodies, police forces, border and immigration agencies and other enforcement organisations.

Achievements & performance
During this period, the Freedom Fund UK provided program management, financial and administrative support to the Freedom Fund (US) in pursuant of its charitable objectives, which are identical to that of the Freedom Fund UK.

Plans for the future
The Freedom Fund UK has been leveraging the work carried out by the Freedom Fund (US), the other entity in the group, with whom it shares identical aims and objectives, to seek funding from UK and European donors.

The Freedom Fund UK continues to look for other opportunities to attract income in support of the Group's mission. In the meantime, the Freedom Fund UK will continue to employ staff and provide services to the Group.

Remuneration policy

The Freedom Fund UK aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. Salaries are benchmarked on a regular basis against comparable organisations in the sector and this includes the review of key management personnel.

Grants policy

The majority of our charitable work is carried out by making grants to our partners organisations. Grants are only made within our agreed strategies. Project proposals are subject to a formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence.

Financial Review

During the year, the charity received income of $4,677,396 (2023: $4,496,214) which mostly represents management recharges to Freedom Fund, the sole member of the Freedom Fund UK for program management, fundraising and administrative support provided. Expenditure was $4,705,965 in the year, leaving a net deficit, after gains and losses of $29k.

Principle Risks and Uncertainty

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Proper records are maintained and financial information, used within the charity or for publication, is reliable
- The charity complies with relevant laws and regulations.

This is achieved through systems of financial control, risk management and compliance. Any significant findings or identified risks are examined so that appropriate action can be taken, including take account of emerging risks and new areas of business.

The principal risk to the organisation is staff turnover and the impact that this could have in program delivery. This risk is managed by carrying out regular salary benchmarking exercises and by conducting an annual staff survey that enables management to gauge levels staff engagement and respond to any issues that are raised on a timely basis. Staff turnover at the Freedom Fund is currently low in comparison to industry averages whilst staff engagement is high.

Reserves

Reserves at the end of the year were $62k (2023: $91k), which were all unrestricted.

As the organisation currently provides program management, financial management and administrative support to the Freedom Fund (US), it is felt prudent that reserves should be in the region of 3-6 months of expenditure after recharges to Freedom Fund (US) (approximately $8k - $15k), in order to cover the cashflow requirements of providing these services. The trustees consider that this level of reserves is sufficient given the availability of support available from the Freedom Fund. Fixed assets are not currently included in the calculation for free reserves as the depreciation is being recharged to Freedom Fund US entity. This target is currently exceeded as no grants were reported in Freedom Fund (UK) during the year.

Going Concern

The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The costs recorded within the Freedom Fund UK accounts largely represent the staff costs associated with program delivery on behalf of Freedom Fund US. UK staff costs are built into restricted funding applications made by Freedom Fund US and the parent entity provides an annual letter of support that provides that staff and other costs incurred in the UK will be covered by Freedom Fund US.

Trustees' report (cont'd)

Statement of Trustees' responsibilities

The trustees, who are also the directors under company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the Statement of Recommended Practice for Charities SORP (FRS 102), Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the profit or loss of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement to auditors

Insofar as each of the trustees of the company at the date of approval of this report is aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware.
- Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by order of the board of trustees 08 May 2025.

Ms. Shruti Chandrasekhar - Treasurer

Independent Auditor's Report to the Members of The Freedom Fund UK

Opinion

We have audited the financial statements of The Freedom Fund UK 'the charitable company' for the year ended 31 December 2023 which comprise of the Statement of Financial Activities, Balance Sheet, Cash flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

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 and the strategic 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 strategic report 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 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 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 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 together with the Charities SORP (FRS102) 2019. 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation

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, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, 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 and reading minutes of meetings of those charged with governance.

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

D Chhatralia

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

13 June 2025

Statement of Financial Activities (incorporating the income and expenditure account) for the year ended 31 December 2024

	Notes	Unrestricted funds $	Restricted funds $	2024 Total $	Unrestricted funds $	Restricted funds $	2023 Total $
Income from							
Charitable activities & Donations	*2&3*	4,677,076	-	4,677,076	4,496,019	-	4,496,019
Investment income		320	-	320	195	-	195
Total income		**4,677,396**	**-**	**4,677,396**	**4,496,214**	**-**	**4,496,214**
Expenditure on							
Raising funds	*4*	6,113	-	6,113	5,877	-	5,877
Charitable activities	*5*	4,699,851	-	4,699,851	4,518,118	-	4,518,118
Total expenditure		**4,705,965**	**-**	**4,705,965**	**4,523,997**	**-**	**4,523,997**
Net (expenditure)/ income		**(28,568)**	**-**	**(28,568)**	**(27,783)**	**-**	**(27,783)**
Net movement on funds		**(28,568)**	**-**	**(28,568)**	**(27,783)**	**-**	**(27,783)**
Reconciliation of funds							
Total funds brought forward		90,580	-	90,580	118,363	-	118,363
Total funds carried forward		**62,012**	**-**	**62,012**	**90,580**	**-**	**90,580**

The notes on pages 12 to 18 form a part of these financial statements.

Balance Sheet for the year ended 31 December 2024

	Notes	2024	2023
		$	**$**
Fixed assets			
Tangible assets	*7*	212,602	214,709
Total fixed assets		**212,602**	**214,709**
Current assets			
Debtors	*8*	213,046	333,631
Cash at bank and in hand		1,015,043	404,252
Total current assets		**1,228,089**	**737,883**
Liabilities			
Creditors: amounts falling due within one year	*9*	(1,378,679)	(862,013)
Net current assets		**(150,590)**	**(124,130)**
Total assets less current liabilities		**62,012**	**90,579**
Total net assets		**62,012**	**90,579**
Funds			
Restricted income funds	*11*	-	-
Unrestricted income funds		60,012	90,579
Total funds		**62,012**	**90,579**

These accounts have been prepared in accordance with the provision of the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

Approved and authorised for issue by the trustees on 08 May 2025 and signed on their behalf by Ms. Shruti Chandrasekhar on 08 May 2025.

The notes on pages 12 to 18 form a part of these financial statements.

Cashflow Statement for the year ended 31 December 2024

	2024	2023
	$	$
Cashflow from operating activities (see note A):		
Net cash (used in) provided by operating activities	677,098	(86,170)
Cash flows from investing activities		
Interest income	(320)	(195)
Purchase of property, plant and equipment	(65,988)	(221,761)
Net (Decrease)/ increase in cash	610,790	(308,126)
Cash flows from financing activities		
Cash and cash equivalents at the beginning of the reporting period	404,253	712,380
Change in cash and cash equivalents in reporting period	610,790	(308,127)
Cash and cash equivalents at the end of the reporting period	**1,015,043**	**404,253**

	2023	2023
A - Reconciliation of cash flows from operating activities	$	$
Net expenditure	(28,568)	(27,782)
Depreciation charges	68,094	25,892
Loss on disposal of fixed assets	-	-
Interest income	320	195
Foreign exchange gain/(loss)	-	-
(Increase) / decrease in debtors	120,585	(185,976)
(Decrease) / increase in creditors falling due within one year	516,666	(101,501)
Net cash (used in) / provided by operating activities	**677,098**	**(86,170)**

The notes on pages 12 to 18 form a part of these financial statements.

1. Accounting policies

Charitable company background
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights, working towards the eradication of modern slavery. Further details are provided within the Trustees' Report.

The Freedom Fund UK is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838). It is also a wholly owned subsidiary of The Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768).

Basis of accounting
The Freedom Fund is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Financial Reporting Standard applicable in the UK (FRS102) (August 2014) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. The Trustees have also taken due regard to the Charity Commission's guidance on public benefit.

The Trustees have considered all of the risks facing the charity and its funds and have considered the support available from The Freedom Fund. The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The financial statements have been prepared under the historical convention in accordance with applicable accounting standards.

The functional currency of Freedom Fund UK is considered to be US Dollars because that is the currency of the primary economic environment in which the charity operates.

Income
All incoming resources accruing to the charity during the year are recognised in the statement of financial activities when there is entitlement to the income, receipt is probable and can be measured with reliability.

Income from charitable activities consists of grant income and management recharges. A proportion of costs incurred in the support activities are recharged as a service to the Freedom Fund at arms-length in accordance with the service level agreement between both entities and recognised to the extent costs have been incurred and so the service delivered during the year. The basis of this proportion is reviewed periodically on the level of activity.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources.

The majority of overheads have been apportioned on the basis of estimated time spent because that is the main driver of costs in the charity. Expenditure is stated in line with the Charities SORP (FRS102).

Support costs, which include finance, IT, head office functions and facilities are allocated across the categories of charitable expenditure, governance and raising funds. These support costs are included within charitable activities and a proportion recharged to the Freedom Fund as noted in the income recognition policy. The basis of the cost allocation is explained in note 5. Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the

provision of services. Grants are charged to the Statement of Financial Activity when a constructive obligation exists. Irrecoverable VAT is charged as a cost to the Statement of Financial Activity.

Tangible assets and depreciation
Assets with a cost in excess of $1,000 intended to be of ongoing use are capitalised as fixed assets. Fixed assets are included at cost. Depreciation is charged, on a straight-line basis, as follows:

- Furniture and fittings - 4 years
- Computer and office equipment - 4 years

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value.

Any permanent impairment is recognised in the Statement of Financial Activities in the year in which it occurs.

Fund accounting
Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see Report of the Trustees).

Where funds are received under contracts to provide services they are classified as restricted, this is on the basis that the contracts specify the service to be performed by the charity. The treatment of these contracts as restricted enables monitoring of performance and outcomes against the contractual agreement.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the restricted funds are also set out in note 11 to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Pension costs
Contributions to the employee's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme.

Financial instruments
The Freedom Fund UK has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost).

Financial assets held at amortised cost comprise cash at bank and in hand, and the charity's debtors excluding prepayments and accrued income. Financial liabilities held at amortised cost comprise the charity's short- and long-term creditors excluding deferred income and accrued expenditure. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Critical accounting judgements and key sources of estimation uncertainty policy
In the application of the charity's accounting policies, which are described above in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Support costs incurred by The Freedom Fund UK, which are made up of payroll costs, fundraising, and governance, are shared with The Freedom Fund (US entity) in accordance with the services agreement between both entities dated 24 May 2016. The allocation is a judgement made by management and the share of costs is calculated and reviewed regularly to reflect the time spent by staff on The Freedom Fund and activities of both entities.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Income from donations

	Unrestricted funds 2024 $	Restricted funds 2024 $	Total 2024 $	Total 2023 $
Other	1,458	-	1,458	319
Grants	-	-	-	-
	1,458	**-**	**1,458**	**319**

3. Income from charitable activities

	Unrestricted funds 2024 $	Restricted funds 2024 $	Total 2024 $	Total 2023 $
Management recharge	4,675,618	-	4,675,618	4,495,700
	4,675,618	**-**	**4,675,618**	**4,495,700**

4. Expenditure on raising funds

	Direct costs 2024 $	Support costs 2024 $	Total 2024 $	Total 2023 $
Charitable activities	-	6,113	6,113	5,877
	-	**6,113**	**6,113**	**5,877**

5. Expenditure on charitable activities

	Grants payable to institutions 2024 $	Direct costs 2024 $	Support costs 2024 $	Total 2024 $	Total 2023 $
Grants payable	-	-	-	-	-
Staff costs recharges	-	3,128,615	842,599	3,971,214	3,772,874
Office costs	-	-	727,521	727,521	704,652
Foreign exchange losses	-	-	(21,758)	(21,758)	20,038
Finance and governance costs	-	-	22,874	22,874	20,554
	-	**3,128,615**	**1,571,236**	**4,699,851**	**4,518,118**

Costs have been apportioned to various activity on the basis of time spent by staff.
Charitable activities include the management recharges.

Included within finance and governance costs above are fees payable to the charity's auditors of $22,729 (2023: $20,514), in GBP £18,125 (2023: £17,100)

6. Staff costs

The key management personnel of the charity comprises of Trustees (who receive no remuneration) and directors. The total remuneration and benefits received by the directors (senior leadership team) during the year was $867,581 (2023: $833,625).

Staff costs of $3,971,214 (2023: $3,772,874) were recharged to the Freedom Fund for program management, fundraising and administrative support provided.

No trustee expenses were paid in the year (2023: $nil)

	2024 $	2023 $
Wages & salaries (including life and health insurance)	3,239,078	3,081,893
Social security costs	379,271	358,592
Pension costs	359,278	338,366
	3,977,627	**3,778,851**

The average number of staff employed by the Freedom Fund UK in the year was 42 (2023: 44).

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2024 No.	2023 No.
$75,242 - $87,782 (£60,000 - £69,999)	8	4
$87,782 - $100,322 (£70,000 - £79,999)	3	2
$100,323 - $112,862 (£80,000 - £89,999)	3	2
$112,864 – $125,403 (£90,000-$99,999)	1	0
$125,403 – $137,943 (£100,000 - £109,999)	1	2
$137,945 – $150,484 (£110,000 - £119,999)	1	0
$263,349 – $275,888 (£210,000 - £219,999)	1	1

7. Tangible fixed assets

	Computer and office equipment 2024 $	Furniture & Fittings 2024 $	Total 2024 $
Cost			
At 1 January 2024	92,372	333,829	426,201
Additions	-	65,988	65,988
Disposals	-	-	-
At 31 December 2024	**92,372**	**399,817**	**492,189**
Depreciation			
At 1 January 2024	89,881	121,610	211,491
Charge for the year	2,491	65,605	68,096
Disposals	-	-	-
At 31 December 2024	**92,372**	**187,215**	**279,587**
Net book value			
At 31 December 2024	**-**	**212,602**	**212,602**
At 31 December 2023	2,490	212,219	214,709

8. Debtors

	Total 2024 $	Total 2023 $
Amounts due from other group entities	-	-
Other debtors	192,782	238,382
Prepayments and accrued income	20,264	95,249
	213,046	**333,631**

9. Creditors: amounts falling due within one year

	Total 2024 $	Total 2023 $
Amount owed to other group entities	1,160,388	570,075
Other creditors	56,862	62,011
Taxation and social security	99,087	98,447
Accruals	62,342	131,480
	1,378,679	**862,013**

10. Analysis of net assets between funds

Fund balances at 31 December 2024 are represented by:

	Unrestricted funds $	Restricted funds $	2024 Total $
Fixed assets	212,605	-	212,605
Net current assets	(150,590)	-	(150,590)
	62,015	**-**	**62,015**

Fund balances at 31 December 2023 are represented by:

	Unrestricted funds $	Restricted funds $	2023 Total $
Fixed assets	214,709	-	214,709
Net current assets	(124,130)	-	(124,130)
	90,579	**-**	**90,579**

11. Operating lease commitments

As at 31 December 2024, the total of future minimum lease payments under non-cancellable operating leases are:

	Land and Buildings 2024 $	Land and Buildings 2023 $
Operating leases which expire:		
Within 1 Year	171,101	173,629
Between 2 and 5 Years	462,677	643,617
	633,778	817,246

12. Controlling party and related party transactions

The Freedom Fund UK, a registered UK charity (registration number 1158838) is a part of the Freedom Fund charities. The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK and thus holds the power to appoint trustees to the board of directors, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund.

The Freedom Fund is the ultimate parent of the Freedom Fund UK and the registered office address of the Freedom Fund is 315 Flatbush Avenue, #406 Brooklyn, NY 11217 USA.

The Freedom Fund UK was set up to facilitate the operations of the Freedom Fund in the UK, Europe and internationally. At 31 December 2024, $1,054,514 was owed by The Freedom Fund UK to The Freedom Fund and $105,874 was owed by the Freedom Fund UK to the Freedom Fund Ethiopia (2023: $464,201 was owed by the Freedom Fund UK to the Freedom Fund and $105,874 was owed by the Freedom Fund UK to the Freedom Fund Ethiopia.)

A total of $4,675,618 (2023: $4,495,700) was re-charged to the Freedom Fund by the Freedom Fund UK for program management, fundraising and administrative services provided.

Accounts

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

THE FREEDOM FUND UK

Registered Company number - 08926428 (England and Wales)
Registered Charity number – 1158838 (England and Wales)

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2023

Reference & administrative details

Registered office
Lower Ground, Caledonia House
223 Pentonville Road
London N1 9NG

Trustees
Mr. A Doust
Ms. M Gochman
Mr. M Pandey
Ms. N Dolby
Ms. F Gooding (Resigned 9th November 2023)
Mr. A McCormick (Resigned 9th November 2023)
Mr. P Sion (Resigned 9th November 2023)
Ms. G Forrest (Resigned 9th November 2023)
Ms. K Bryant (Appointed 9th November 2023)
Ms. M Yue (Appointed 17th January 2024)
Mr. A Shaikh (Appointed 17th January 2024)
Ms. S Chandrasekhar (Appointed 17th January 2024)

Company Secretary
Ms. Z Marshall

Key management personnel

Chief Executive Officer
Mr. Nick Grono
Managing Director of Programs
Mr. Dan Vexler
Director of Programs
Ms. Havovi Wadia
Managing Director External Relations
Ms. Amy Rahe
Managing Director Finance and Administration
Ms. Zoe Marshall

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

Principal bankers
Metro Bank
1 Southampton Row
London WC1B 5HA

Solicitors
Bates, Wells and Braithwaite,
10 Queen St Pl,
London EC4R 1BE

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2023

Trustees' report

Structure, governance & management

The Freedom Fund UK is a part of the Freedom Fund charities. It is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838) and governed by a Memorandum and Article of Association.

The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund, which also holds the power to appoint trustees to the board of directors. The Freedom Fund UK has no fundraising activity requiring disclosure under S162A of the Charities Act 2011.

The trustees are committed to maintaining high standards of governance and are satisfied that the charity applies the principles of the Charity Governance Code within its current governance arrangements. The Freedom Fund UK's compliance with the Code will be reviewed on an annual basis.

Directors serve three year terms, although they may be eligible for re-election. Trustees are inducted by the CEO and Chair of the charity as well as being provided with a pack of useful governance documents. Board meetings are organised so as to provide further opportunities for trustees to gain a deeper understanding of the Freedom Fund's work - for example by being timed to coincide with convenings that bring together sector experts, representatives of our partner organisations overseas, and other funders. Trustees also visit the overseas work of the organisation during the course of normal year.

Public Benefit Statement

The trustees have considered the issue of public benefit and are confident that the breadth and scope of work undertaken, as disclosed in this report, complies with Section 17 of the Charities Act 2011 and has due regard to the Charity Commission's general guidance on public benefit. The trustees consider FFUK's work as part of the Freedom Fund Group to address human trafficking clearly meets the Commission's public benefit test.

Objects & activities

The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- the reduction and eradication of human trafficking in all its forms, including the adoption of means by which to combat modern slavery;
- the prevention and relief of suffering of the victims of human trafficking and other modern forms of slavery by providing medical, psychological, educational, social and other support services to such persons;
- the relief of financial and other hardship of the victims of human trafficking and modern slavery and the dissemination of the useful results of such research; and
- the advancement of the education of the public in the causes, manifestations and consequences of human trafficking and other modern forms of slavery and the provision of related advice and support to government bodies, police forces, border and immigration agencies and other enforcement organisations.

Achievements & performance

During this period, the Freedom Fund UK provided program management, financial and administrative support to the Freedom Fund (US) in pursuant of its charitable objectives, which are identical to that of the Freedom Fund UK.

Plans for the future

The Freedom Fund UK has been leveraging the work carried out by the Freedom Fund (US), the other entity in the group, with whom it shares identical aims and objectives, to seek funding from UK and European donors.

The Freedom Fund UK continues to look for other opportunities to attract income in support of the Group's mission. In the meantime, the Freedom Fund UK will continue to employ staff and provide services to the Group.

Remuneration policy

The Freedom Fund UK aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. Salaries are benchmarked on a regular basis against comparable organisations in the sector and this includes the review of key management personnel.

Grants policy

The majority of our charitable work is carried out by making grants to our partners organisations. Grants are only made within our agreed strategies. Project proposals are subject to a formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence.

Financial Review

During the year, the charity received income of $4,496,214 (2022: $3,918,062) which mostly represents management recharges to Freedom Fund, the sole member of the Freedom Fund UK for program management, fundraising and administrative support provided. Expenditure was $4,523,996 in the year, leaving a net deficit, after gains and losses of $28k.

Principle Risks and Uncertainty

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Proper records are maintained and financial information, used within the charity or for publication, is reliable
- The charity complies with relevant laws and regulations.

This is achieved through systems of financial control, risk management and compliance. Any significant findings or identified risks are examined so that appropriate action can be taken, including take account of emerging risks and new areas of business.

The principle risk to the organisation is staff turnover and the impact that this could have in program delivery. This risk is currently exacerbated by the rapidly rising cost of living in the UK. This risk is managed by carrying out regular salary benchmarking exercises and by conducting an annual staff survey that enables management to gauge levels staff engagement and respond to any issues that are raised on a timely basis. Staff turnover at the Freedom Fund is currently low in comparison to industry averages whilst staff engagement is high.

Reserves

Reserves at the end of the year were $91k (2022: $118k), which were all unrestricted.

As the organisation currently provides program management, financial management and administrative support to the Freedom Fund (US), it is felt prudent that reserves should be in the region of 3-6 months of expenditure after recharges to Freedom Fund (US) (approximately $7k - $14k), in order to cover the cashflow requirements of providing these services. The trustees consider that this level of reserves is sufficient given the availability of support available from the Freedom Fund. Fixed assets are not currently included in the calculation for free reserves as the depreciation is being recharged to Freedom Fund US entity. This target is currently exceeded as no grants were reported in Freedom Fund (UK) during the year.

Going Concern

The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The costs recorded within the Freedom Fund UK accounts largely represent the staff costs associated with program delivery on behalf of Freedom Fund US. UK staff costs are built into restricted funding applications made by Freedom Fund US and the parent entity provides an annual letter of support that provides that staff and other costs incurred in the UK will be covered by Freedom Fund US.

Trustees' report (cont'd)

Statement of Trustees' responsibilities

The trustees, who are also the directors under company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the Statement of Recommended Practice for Charities SORP (FRS 102), Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the profit or loss of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement to auditors

Insofar as each of the trustees of the company at the date of approval of this report is aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware.
- Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by order of the board of trustees 02 May 2024.

Ms. Shruti Chandrasekhar - Treasurer

Independent Auditor's Report to the Members of The Freedom Fund UK

Opinion

We have audited the financial statements of The Freedom Fund UK 'the charitable company' for the year ended 31 December 2023 which comprise of the Statement of Financial Activities, Balance Sheet, Cash flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

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 and the strategic 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 strategic report 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 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 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 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 together with the Charities SORP (FRS102) 2019. 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation

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, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, 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 and reading minutes of meetings of those charged with governance.

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

D Chhatralia

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

5 July 2024

Statement of Financial Activities (incorporating the income and expenditure account) for the year ended 31 December 2023

	Notes	Unrestricted funds $	Restricted funds $	2023 Total $	Unrestricted funds $	Restricted funds $	2022 Total $
Income from							
Charitable activities & Donations	*2&3*	4,496,019	-	4,496,019	3,918,028	-	3,918,028
Investment income		195	-	195	34	-	34
Total income		**4,496,214**	**-**	**4,496,214**	**3,918,062**	**-**	**3,918,062**
Expenditure on							
Raising funds	*4*	5,877	-	5,877	5,546	-	5,546
Charitable activities	*5*	4,518,118	-	4,518,118	3,939,153	-	3,939,153
Total expenditure		**4,523,997**	**-**	**4,523,997**	**3,944,699**	**-**	**3,944,699**
Net (expenditure)/ income		**(27,783)**	**-**	**(27,783)**	**(26,637)**	**-**	**(26,637)**
Net movement on funds		**(27,783)**	**-**	**(27,783)**	**(26,637)**	**-**	**(26,637)**
Reconciliation of funds							
Total funds brought forward		118,363	-	118,363	145,000	-	145,000
Total funds carried forward		**90,580**	**-**	**90,580**	**118,363**	**-**	**118,363**

The notes on pages 12 to 18 form a part of these financial statements.

Balance Sheet for the year ended 31 December 2023

	Notes	2023	2022
		$	$
Fixed assets			
Tangible assets	7	214,709	18,841
Total fixed assets		**214,709**	**18,841**
Current assets			
Debtors	8	333,631	147,655
Cash at bank and in hand		404,252	712,379
Total current assets		**737,883**	**860,034**
Liabilities			
Creditors: amounts falling due within one year	9	(862,013)	(760,512)
Net current assets		(124,130)	**99,522**
Total assets less current liabilities		**90,579**	**118,363**
Total net assets		**90,579**	**118,363**
Funds			
Restricted income funds	11	-	-
Unrestricted income funds		90,579	118,363
Total funds		**90,579**	**118,363**

These accounts have been prepared in accordance with the provision of the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

Approved and authorised for issue by the trustees on 02 May 2024 and signed on their behalf by Ms. Shruti Chandrasekhar on 02 May 2024

The notes on pages 12 to 18 form a part of these financial statements.

Cashflow Statement for the year ended 31 December 2023

	2023	2022
	$	**$**
Cashflow from operating activities (see note A):		
Net cash (used in) provided by operating activities	(86,170)	568,528
Cash flows from investing activities		
Interest income	(195)	(34)
Purchase of property, plant and equipment	(221,761)	-
Net (Decrease)/ increase in cash	(308,126)	568,494
Cash flows from financing activities		
Cash and cash equivalents at the beginning of the reporting period	712,380	143,887
Change in cash and cash equivalents in reporting period	(308,127)	568,493
Cash and cash equivalents at the end of the reporting period	**404,253**	**712,380**

	2023	2022
A - Reconciliation of cash flows from operating activities	**$**	**$**
Net expenditure	(27,782)	(26,636)
Depreciation charges	25,892	36,741
Loss on disposal of fixed assets	-	-
Interest income	195	34
Foreign exchange gain/(loss)	-	-
(Increase) / decrease in debtors	(185,976)	29,992
(Decrease) / increase in creditors falling due within one year	(101,501)	528,397
Net cash (used in) / provided by operating activities	**(86,170)**	**568,528**

The notes on pages 12 to 18 form a part of these financial statements.

1. Accounting policies

Charitable company background
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights, working towards the eradication of modern slavery. Further details are provided within the Trustees' Report.

The Freedom Fund UK is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838). It is also a wholly owned subsidiary of The Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768).

Basis of accounting
The Freedom Fund is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Financial Reporting Standard applicable in the UK (FRS102) (August 2014) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. The Trustees have also taken due regard to the Charity Commission's guidance on public benefit.

The Trustees have considered all of the risks facing the charity and its funds and have considered the support available from The Freedom Fund. The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The financial statements have been prepared under the historical convention in accordance with applicable accounting standards.

The functional currency of Freedom Fund UK is considered to be US Dollars because that is the currency of the primary economic environment in which the charity operates.

Income
All incoming resources accruing to the charity during the year are recognised in the statement of financial activities when there is entitlement to the income, receipt is probable and can be measured with reliability.

Income from charitable activities consists of grant income and management recharges. A proportion of costs incurred in the support activities are recharged as a service to the Freedom Fund at arms-length in accordance with the service level agreement between both entities and recognised to the extent costs have been incurred and so the service delivered during the year. The basis of this proportion is reviewed periodically on the level of activity.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources.

The majority of overheads have been apportioned on the basis of estimated time spent because that is the main driver of costs in the charity. Expenditure is stated in line with the Charities SORP (FRS102).

Support costs, which include finance, IT, head office functions and facilities are allocated across the categories of charitable expenditure, governance and raising funds. These support costs are included within charitable activities and a proportion recharged to the Freedom Fund as noted in the income recognition policy. The basis of the cost allocation is explained in note 5. Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the

provision of services. Grants are charged to the Statement of Financial Activity when a constructive obligation exists. Irrecoverable VAT is charged as a cost to the Statement of Financial Activity.

Tangible assets and depreciation
Assets with a cost in excess of $1,000 intended to be of ongoing use are capitalised as fixed assets. Fixed assets are included at cost. Depreciation is charged, on a straight-line basis, as follows:

- Furniture and fittings - 4 years
- Computer and office equipment - 4 years

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value.

Any permanent impairment is recognised in the Statement of Financial Activities in the year in which it occurs.

Fund accounting
Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see Report of the Trustees).

Where funds are received under contracts to provide services they are classified as restricted, this is on the basis that the contracts specify the service to be performed by the charity. The treatment of these contracts as restricted enables monitoring of performance and outcomes against the contractual agreement.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the restricted funds are also set out in note 11 to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Pension costs
Contributions to the employee's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme.

Financial instruments
The Freedom Fund UK has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost).

Financial assets held at amortised cost comprise cash at bank and in hand, and the charity's debtors excluding prepayments and accrued income. Financial liabilities held at amortised cost comprise the charity's short- and long-term creditors excluding deferred income and accrued expenditure. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Critical accounting judgements and key sources of estimation uncertainty policy
In the application of the charity's accounting policies, which are described above in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Support costs incurred by The Freedom Fund UK, which are made up of payroll costs, fundraising, and governance, are shared with The Freedom Fund (US entity) in accordance with the services agreement between both entities dated 24 May 2016. The allocation is a judgement made by management and the share of costs is calculated and reviewed regularly to reflect the time spent by staff on The Freedom Fund and activities of both entities.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Income from donations

	Unrestricted funds 2023 $	Restricted funds 2023 $	Total 2023 $	Total 2022 $
Other	319	-	319	299
Grants	-	-	-	-
	319	**-**	**319**	**219**

3. Income from charitable activities

	Unrestricted funds 2023 $	Restricted funds 2023 $	Total 2023 $	Total 2022 $
Management recharge	4,495,700	-	4,495,700	3,917,730
	4,495,700	**-**	**4,495,700**	**3,917,730**

4. Expenditure on raising funds

	Direct costs 2023 $	Support costs 2023 $	Total 2023 $	Total 2022 $
Charitable activities	-	5,877	5,877	5,546
	-	**5,877**	**5,877**	**5,546**

5. Expenditure on charitable activities

	Grants payable to institutions	Direct costs	Support costs	Total	Total
	2023	2023	2023	2023	2022
	$	$	$	$	$
Grants payable	-	-	-	-	-
Staff costs recharges	-	2,948,073	824,801	3,772,874	3,288,538
Office costs	-	-	704,652	704,652	606,815
Foreign exchange losses	-	-	20,038	20,038	24,494
Finance and governance costs	-	-	20,554	20,554	19,306
	-	**2,948,073**	**1,570,045**	**4,518,118**	**3,939,153**

Costs have been apportioned to various activity on the basis of time spent by staff.
Charitable activities include the management recharges.

Included within finance and governance costs above are fees payable to the charity's auditors of $20,514 (2022: $19,237), in GBP £17,100 (2022: £15,980)

6. Staff costs

The key management personnel of the charity comprises of Trustees (who receive no remuneration) and directors. The total remuneration and benefits received by the directors (senior leadership team) during the year was $833,625 (2022: $800,959).

Staff costs of $3,772,874 (2022: $3,288,539) were recharged to the Freedom Fund for program management, fundraising and administrative support provided.

No trustee expenses were paid in the year (2022: $nil)

	2023	2022
	$	$
Wages & salaries (including life and health insurance)	3,081,893	2,686,671
Social security costs	358,592	328,246
Pension costs	338,366	281,846
	3,778,851	**3,296,763**

The average number of staff employed by the Freedom Fund UK in the year was 44 (2022: 38).

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2023 No.	2022 No.
$76,354 - $89,078 (£60,000 - £69,999)	4	4
$89,079 - $101,804 (£70,000 - £79,999)	2	1
$101,805 - $114,530 (£80,000 - £89,999)	2	3
$114,531 - $127,255 (£90,000-$99,999)	0	0
$127,256 - $139,982 (£100,000 - £109,999)	2	2
$267,239 - $279,964 (£220,000 - £229,999)	1	1

7. Tangible fixed assets

	Computer and office equipment 2023 $	Furniture & Fittings 2023 $	Total 2023 $
Cost			
At 1 January 2023	92,372	112,068	204,440
Additions	-	221,761	221,761
Disposals	-	-	-
At 31 December 2023	**92,372**	**333,829**	**426,201**
Depreciation			
At 1 January 2023	77,220	108,379	185,599
Charge for the year	12,662	13,230	25,892
Disposals	-	-	-
At 31 December 2023	**89,881**	**121,610**	**211,491**
Net book value			
At 31 December 2023	**2,490**	**212,219**	**214,709**
At 31 December 2022	15,153	3,688	18,841

8. Debtors

	Total 2023 $	Total 2022 $
Amounts due from other group entities	-	-
Other debtors	238,382	83,281
Prepayments and accrued income	95,249	64,374
	333,631	**147,655**

9. Creditors: amounts falling due within one year

	Total 2023 $	Total 2022 $
Amount owed to other group entities	570,075	470,075
Other creditors	62,011	81,999
Taxation and social security	98,447	89,219
Accruals	131,480	119,219
	862,013	**760,512**

10. Analysis of net assets between funds

Fund balances at 31 December 2023 are represented by:

	Unrestricted funds $	Restricted funds $	2023 Total $
Fixed assets	214,709	-	214,709
Net current assets	(124,130)	-	(124,130)
	90,579	**-**	**90,579**

Fund balances at 31 December 2022 are represented by:

	Unrestricted funds $	Restricted funds $	2022 Total $
Fixed assets	18,841	-	18,841
Net current assets	99,522	-	99,522
	118,363	**-**	**118,363**

11. Operating lease commitments

As at 31 December 2023, the total of future minimum lease payments under non-cancellable operating leases are:

	Land and Buildings 2023 $	Land and Buildings 2022 $
Operating leases which expire:		
Within 1 Year	173,629	175,795
Between 2 and 5 Years	643,617	-
	817,246	175,795

12. Controlling party and related party transactions

The Freedom Fund UK, a registered UK charity (registration number 1158838) is a part of the Freedom Fund charities. The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK and thus holds the power to appoint trustees to the board of directors, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund.

The Freedom Fund is the ultimate parent of the Freedom Fund UK and the registered office address of the Freedom Fund is 315 Flatbush Avenue, #406 Brooklyn, NY 11217 USA.

The Freedom Fund UK was set up to facilitate the operations of the Freedom Fund in the UK, Europe and internationally. At 31 December 2023, $464,201 was owed by The Freedom Fund UK to The Freedom Fund and $105,874 was owed by the Freedom Fund UK to the Freedom Fund Ethiopia (2022: $364,201 was owed by the Freedom Fund UK to the Freedom Fund and $105,874 was owed by the Freedom Fund UK to the Freedom Fund Ethiopia.)

A total of $4,495,700 (2022: $3,917,730) was re-charged to the Freedom Fund by the Freedom Fund UK for program management, fundraising and administrative services provided.

Accounts

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

THE FREEDOM FUND UK

Registered Company number - 08926428 (England and Wales)
Registered Charity number – 1158838 (England and Wales)

Reference & administrative details

Registered office
Lighterman House
30 Wharfdale Road
London N1 9RY

Trustees
Mr. A A Doust
Ms. M S Gochman
Ms. F J Gooding
Mr. A J McCormick
Mr. M Pandey
Mr. P Sion
Ms. G Forrest
Ms. N Dolby

Company Secretary
Ms. Z Marshall

Key management personnel

Chief Executive Officer
Mr. Nick Grono
Managing Director of Programs
Mr. Dan Vexler
Director of Programs
Ms. Havovi Wadia
Managing Director Development, Partnerships
Ms. Margaret Gardner (Resigned 8th April 2022)
Managing Director Development, Partnerships
Ms. Amy Rahe (Appointed 1st July 2022)
Managing Director, External Relations
Ms. Zoe Marshall

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

Principal bankers
Metro Bank
1 Southampton Row
London WC1B 5HA

Solicitors
Bates, Wells and Braithwaite,
10 Queen St Pl,
London EC4R 1BE

Trustees' report

Structure, governance & management
The Freedom Fund UK is a part of the Freedom Fund charities. It is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838) and governed by a Memorandum and Article of Association.

The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund, which also holds the power to appoint trustees to the board of directors.
The Freedom Fund UK has no fundraising activity requiring disclosure under S162A of the Charities Act 2011.

The trustees are committed to maintaining high standards of governance and are satisfied that the charity applies the principles of the Charity Governance Code within its current governance arrangements. The Freedom Fund UK's compliance with the Code will be reviewed on an annual basis.

One third of directors are retired on an annual basis, although they may be eligible for re-election. Trustees are inducted by the CEO and Chair of the charity as well as being provided with a pack of useful governance documents. Board meetings are organised so as to provide further opportunities for trustees to gain a deeper understanding of The Freedom Fund's work - for example by being timed to coincide with convenings that bring together sector experts, representatives of our partner organisations overseas, and other funders. Several trustees also visit the overseas work of the organisation during the course of normal year.

Public Benefit Statement
The trustees have considered the issue of public benefit and are confident that the breadth and scope of work undertaken, as disclosed in this report, complies with Section 17 of the Charities Act 2011 and has due regard to the Charity Commission's general guidance on public benefit. The trustees consider FFUK's work as part of the Freedom Fund Group to address human trafficking clearly meets the Commission's public benefit test.

Objects & activities
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- the reduction and eradication of human trafficking in all its forms, including the adoption of means by which to combat modern slavery;
- the prevention and relief of suffering of the victims of human trafficking and other modern forms of slavery by providing medical, psychological, educational, social and other support services to such persons;
- the relief of financial and other hardship of the victims of human trafficking and modern slavery and the dissemination of the useful results of such research; and
- the advancement of the education of the public in the causes, manifestations and consequences of human trafficking and other modern forms of slavery and the provision of related advice and support to government bodies, police forces, border and immigration agencies and other enforcement organisations.

Achievements & performance
During this period, the Freedom Fund UK provided program management, financial and administrative support to the Freedom Fund (US) in pursuant of its charitable objectives, which are identical to that of the Freedom Fund UK.

Plans for the future
The Freedom Fund UK has been leveraging the work carried out by the Freedom Fund (US), the other entity in the group, with whom it shares identical aims and objectives, to seek funding from UK and European donors.

The Freedom Fund UK continues to look for other opportunities to attract income in support of the Group's mission. In the meantime, the Freedom Fund UK will continue to employ staff and provide services to the Group.

Remuneration policy

The Freedom Fund UK aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. Salaries are benchmarked on a regular basis against comparable organisations in the sector and this includes the review of key management personnel.

Grants policy

The majority of our charitable work is carried out by making grants to our partners organisations. Grants are only made within our agreed strategies. Project proposals are subject to a formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence.

Financial Review

During the year, the charity received income of $3,918,062 (2021: $3,609,036) which mostly represents management recharges to Freedom Fund, the sole member of the Freedom Fund UK for program management, fundraising and administrative support provided.
Expenditure was $3,944,698 in the year, leaving a net deficit, after gains and losses of $27k.

Principle Risks and Uncertainty

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Proper records are maintained and financial information, used within the charity or for publication, is reliable
- The charity complies with relevant laws and regulations.

This is achieved through systems of financial control, risk management and compliance. Any significant findings or identified risks are examined so that appropriate action can be taken, including take account of emerging risks and new areas of business.

The principle risk to the organisation is staff turnover and the impact that this could have in program delivery. This risk is currently exacerbated by the rapidly rising cost of living in the UK. This risk is managed by carrying out regular salary benchmarking exercises and by conducting an annual staff survey that enables management to gauge levels staff engagement and respond to any issues that are raised on a timely basis. Staff turnover at the Freedom Fund is currently low in comparison to industry averages whilst staff engagement is high.

Reserves

Reserves at the end of the year were $118k (2021: $145k), which were all unrestricted.

As the organisation currently provides program management, financial management and administrative support to the Freedom Fund (US), it is felt prudent that reserves should be in the region of 3-6 months of expenditure after recharges to Freedom Fund (US) (approximately $7k - $14k), in order to cover the cashflow requirements of providing these services. The trustees consider that this level of reserves is sufficient given the availability of support available from The Freedom Fund. Fixed assets are not currently included in the calculation for free reserves as 90% of the depreciation is being recharged to Freedom Fund US entity. This target is currently exceeded as no grants were reported in Freedom Fund (UK) during the year.

Going Concern

The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The costs recorded within the Freedom Fund UK accounts largely represent the staff costs associated with program delivery on behalf of Freedom Fund US. UK staff costs are built into restricted funding applications made by Freedom Fund US and the parent entity provides an annual letter of support that provides that staff and other costs incurred in the UK will be covered by Freedom Fund US.

Trustees' report (cont'd)

Statement of Trustees' responsibilities

The trustees, who are also the directors under company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the Statement of Recommended Practice for Charities SORP (FRS 102), Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the profit or loss of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement to auditors

Insofar as each of the trustees of the company at the date of approval of this report is aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware.
- Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by order of the board of trustees 03 May 2023.

Ms. F J Gooding - Treasurer

Independent Auditor's Report to the Members of The Freedom Fund UK

Opinion

We have audited the financial statements of The Freedom Fund UK 'the charitable company' for the year ended 31 December 2021 which comprise of the Statement of Financial Activities, Balance Sheet, Cash flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

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 and the strategic 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 strategic report 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 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 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 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 together with the Charities SORP (FRS102) 2019. 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation

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, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, 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 and reading minutes of meetings of those charged with governance.

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

D Chhatralia

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 22 May 2023

Statement of Financial Activities (incorporating the income and expenditure account) for the year ended 31 December 2022

	Notes	Unrestricted funds $	Restricted funds $	2022 Total $	Unrestricted funds $	Restricted funds $	2021 Total $
Income from							
Charitable activities & Donations	*2&3*	3,918,028	-	3,918,028	3,609,025	-	3,609,025
Investment income		34	-	34	11	-	11
Total income		**3,918,062**	**-**	**3,918,062**	**3,609,036**	**-**	**3,609,036**
Expenditure on							
Raising funds	*4*	5,546	-	5,546	5,408	-	5,408
Charitable activities	*5*	3,939,153	-	3,939,153	3,627,971	-	3,627,971
Total expenditure		**3,944,699**	**-**	**3,944,699**	**3,633,379**	**-**	**3,633,379**
Net (expenditure)/ income		**(26,637)**	**-**	**(26,637)**	**(24,343)**	**-**	**(24,343)**
Net movement on funds		**(26,637)**	**-**	**(26,637)**	**(24,343)**	**-**	**(24,343)**
Reconciliation of funds							
Total funds brought forward		145,000	-	145,000	169,343	-	169,343
Total funds carried forward		**118,363**	**-**	**118,363**	**145,000**	**-**	**145,000**

The notes on pages 12 to 18 form a part of these financial statements.

Balance Sheet for the year ended 31 December 2022

	Notes	2022	2021
		$	$
Fixed assets			
Tangible assets	*7*	18,841	55,582
Total fixed assets		**18,841**	**55,582**
Current assets			
Debtors	*8*	147,655	177,646
Cash at bank and in hand		712,379	143,887
Total current assets		**860,034**	**321,533**
Liabilities			
Creditors: amounts falling due within one year	*9*	(760,512)	(232,115)
Net current assets		**99,522**	**89,418**
Total assets less current liabilities		**118,363**	**145,000**
Total net assets		**118,363**	**145,000**
Funds			
Restricted income funds	*11*	-	-
Unrestricted income funds		118,363	145,000
Total funds		**118,363**	**145,000**

These accounts have been prepared in accordance with the provision of the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

Approved and authorised for issue by the trustees on 03 May 2023 and signed on their behalf by Ms. F J Gooding on 03 May 2023

The notes on pages 12 to 18 form a part of these financial statements.

Cashflow Statement for the year ended 31 December 2022

	2022	2021
	$	$
Cashflow from operating activities (see note A):		
Net cash (used in) provided by operating activities	568,528	(338,432)
Cash flows from investing activities		
Interest income	(34)	(11)
Purchase of property, plant and equipment	-	-
Net (Decrease)/ increase in cash	568,494	(338,443)
Cash flows from financing activities		
Cash and cash equivalents at the beginning of the reporting period	143,887	482,330
Change in cash and cash equivalents in reporting period	568,493	(338,443)
Cash and cash equivalents at the end of the reporting period	**712,380**	**143,887**

	2022	2021
A - Reconciliation of cash flows from operating activities	$	$
Net expenditure	(26,636)	(24,343)
Depreciation charges	36,741	41,889
Loss on disposal of fixed assets	-	-
Interest income	34	11
Foreign exchange gain/(loss)	-	-
(Increase) / decrease in debtors	29,992	(28,127)
(Decrease) / increase in creditors falling due within one year	528,397	(327,862)
Net cash (used in) / provided by operating activities	**568,528**	**(338,432)**

The notes on pages 12 to 18 form a part of these financial statements.

1. Accounting policies

Charitable company background
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights, working towards the eradication of modern slavery. Further details are provided within the Trustees' Report.

The Freedom Fund UK is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838). It is also a wholly owned subsidiary of The Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768).

Basis of accounting
The Freedom Fund is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Financial Reporting Standard applicable in the UK (FRS102) (August 2014) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. The Trustees have also taken due regard to the Charity Commission's guidance on public benefit.

The Trustees have considered all of the risks facing the charity and its funds and have considered the support available from The Freedom Fund. The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The financial statements have been prepared under the historical convention in accordance with applicable accounting standards.

The functional currency of Freedom Fund UK is considered to be US Dollars because that is the currency of the primary economic environment in which the charity operates.

Income
All incoming resources accruing to the charity during the year are recognised in the statement of financial activities when there is entitlement to the income, receipt is probable and can be measured with reliability.

Income from charitable activities consists of grant income and management recharges. A proportion of costs incurred in the support activities are recharged as a service to the Freedom Fund at arms-length in accordance with the service level agreement between both entities and recognised to the extent costs have been incurred and so the service delivered during the year. The basis of this proportion is reviewed periodically on the level of activity.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources.

The majority of overheads have been apportioned on the basis of estimated time spent because that is the main driver of costs in the charity. Expenditure is stated in line with the Charities SORP (FRS102).

Support costs, which include finance, IT, head office functions and facilities are allocated across the categories of charitable expenditure, governance and raising funds. These support costs are included within charitable activities and a proportion recharged to the Freedom Fund as noted in the income recognition policy. The basis of the cost allocation is explained in note 5. Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the

provision of services. Grants are charged to the Statement of Financial Activity when a constructive obligation exists. Irrecoverable VAT is charged as a cost to the Statement of Financial Activity.

Tangible assets and depreciation
Assets with a cost in excess of $1,000 intended to be of ongoing use are capitalised as fixed assets. Fixed assets are included at cost. Depreciation is charged, on a straight-line basis, as follows:

- Furniture and fittings - 4 years
- Computer and office equipment - 4 years

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value.

Any permanent impairment is recognised in the Statement of Financial Activities in the year in which it occurs.

Fund accounting
Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see Report of the Trustees).

Where funds are received under contracts to provide services they are classified as restricted, this is on the basis that the contracts specify the service to be performed by the charity. The treatment of these contracts as restricted enables monitoring of performance and outcomes against the contractual agreement.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the restricted funds are also set out in note 11 to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Pension costs
Contributions to the employee's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme.

Financial instruments
The Freedom Fund UK has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost).

Financial assets held at amortised cost comprise cash at bank and in hand, and the charity's debtors excluding prepayments and accrued income. Financial liabilities held at amortised cost comprise the charity's short- and long-term creditors excluding deferred income and accrued expenditure. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Critical accounting judgements and key sources of estimation uncertainty policy
In the application of the charity's accounting policies, which are described above in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Support costs incurred by The Freedom Fund UK, which are made up of payroll costs, fundraising, and governance, are shared with The Freedom Fund (US entity) in accordance with the services agreement between both entities dated 24 May 2016. The allocation is a judgement made by management and the share of costs is calculated and reviewed regularly to reflect the time spent by staff on The Freedom Fund and activities of both entities.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Income from donations

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Total 2021
	$	$	$	$
Other	299	-	299	691
Grants	-	-	-	1,533
	299	**-**	**299**	**2,224**

3. Income from charitable activities

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Total 2021
	$	$	$	$
Management recharge	3,917,730	-	3,917,730	3,606,801
	3,917,730	**-**	**3,917,730**	**3,606,801**

4. Expenditure on raising funds

	Direct costs 2022	Support costs 2022	Total 2022	Total 2021
	$	$	$	$
Charitable activities	-	5,546	5,546	5,408
	-	**5,546**	**5,546**	**5,408**

5. Expenditure on charitable activities

	Grants payable to institutions	Direct costs	Support costs	Total	Total
	2022	**2022**	**2022**	**2022**	**2021**
	$	**$**	**$**	**$**	**$**
Grants payable	-	-	-	-	-
Staff costs recharges	-	2,495,274	793,264	3,288,538	3,239,818
Office costs	-	-	606,815	606,815	285,757
Foreign exchange losses	-	-	24,494	24,494	83,415
Finance and governance costs	-	-	19,306	19,306	18,981
	-	**2,495,274**	**1,443,879**	**3,939,153**	**3,627,971**

Costs have been apportioned to various activity on the basis of time spent by staff.
Charitable activities include the management recharges.

Included within finance and governance costs above are fees payable to the charity's auditors of $19,237 (2021: $18,900), in GBP £15,980 (2021: £14,000)

6. Staff costs

The key management personnel of the charity comprises of Trustees (who receive no remuneration) and directors. The total remuneration and benefits received by the directors during the year was $800,959 (2021: $919,822).

Staff costs of $3,288,539 (2021: $3,239,818) were recharged to the Freedom Fund for program management, fundraising and administrative support provided.

No trustee expenses were paid in the year (2021: $nil)

	2022	2021
	$	**$**
Wages & salaries (including life and health insurance)	2,686,671	2,651,129
Social security costs	328,246	307,266
Pension costs	281,846	283,810
	3,296,763	**3,242,205**

The average number of staff employed by the Freedom Fund UK in the year was 38 (2021: 36).

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2022 No.	2021 No.
$72,229 - $84,265 (£60,000 - £69,999)	4	2
$84,267- $96,304 (£70,000 - £79,999)	1	2
$96,305 - $108,342 (£80,000 - £89,999)	3	0
$108,343 - $120,380 (£90,000-$99,999)	0	3
$120,381 - $132,419 (£100,000 - £109,999)	2	0
$264,838 - $276,875 (£220,000 - £229,999)	0	1
$276,876 - $288,913 (£230,000 - £239,999)	1	0

7. Tangible fixed assets

	Computer and office equipment 2022 $	Furniture & Fittings 2022 $	Total 2022 $
Cost			
At 1 January 2022	92,372	112,068	204,440
Additions	-	-	-
Disposals	-	-	-
At 31 December 2022	**92,372**	**112,068**	**204,440**
Depreciation			
At 1 January 2022	64,770	84,090	148,859
Charge for the year	12,450	24,290	36,740
Disposals	-	-	-
At 31 December 2022	**77,220**	**108,379**	**185,599**
Net book value			
At 31 December 2022	**15,152**	**3,689**	**18,841**
At 31 December 2021	27,603	27,978	55,582

8. Debtors

	Total 2022 $	Total 2021 $
Amounts due from other group entities	-	7,050
Other debtors	83,281	76,744
Prepayments and accrued income	64,374	93,852
	147,655	**177,646**

9. Creditors: amounts falling due within one year

	Total 2022 $	Total 2021 $
Amount owed to other group entities	470,075	-
Other creditors	81,999	10,816
Taxation and social security	89,219	88,659
Accruals	119,219	132,640
	760,512	**232,115**

10. Statement of restricted funds

	Balance 1 Jan 2022 $	Income $	Expenditure $	Balance 31 Dec 2022 $
Restricted funds name				
	-	-	-	-
	-	**-**	**-**	**-**

	Balance 1 Jan 2021 $	Income $	Expenditure $	Balance 31 Dec 2021 $
Restricted funds name				
	-	-	-	-
	-	**-**	**-**	**-**

11. Analysis of net assets between funds

Fund balances at 31 December 2022 are represented by:

	Unrestricted funds $	Restricted funds $	2022 Total $
Fixed assets	18,841	-	18,841
Net current assets	99,522	-	99,522
	118,363	**-**	**118,363**

Fund balances at 31 December 2021 are represented by:

	Unrestricted funds	Restricted funds	2021 Total
	$	$	$
Fixed assets	55,582	-	55,582
Net current assets	89,418	-	89,418
	145,000	**-**	**145,000**

12. Operating lease commitments

As at 31 December 2022, the total of future minimum lease payments under non-cancellable operating leases are:

	Land and Buildings		Other	
	2022	2021	2022	2021
	$	$	$	$
Operating leases which expire:				
Within 1 Year	175,795	224,863	-	-
Between 2 and 5 Years	-	197,140	-	-
	175,795	422,003	-	-

13. Controlling party and related party transactions

The Freedom Fund UK, a registered UK charity (registration number 1158838) is a part of the Freedom Fund charities. The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK and thus holds the power to appoint trustees to the board of directors, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund.
The Freedom Fund is the ultimate parent of the Freedom Fund UK and the registered office address of the Freedom Fund is 315 Flatbush Avenue, #406 Brooklyn, NY 11217 USA.

The Freedom Fund UK was set up to facilitate the operations of the Freedom Fund in the UK, Europe and internationally. At 31 December 2022, $364,201 was owed by The Freedom Fund UK to The Freedom Fund and $105,874 was owed by The Freedom Fund UK to The Freedom Fund Ethiopia (2021: $112,924 was owed by the Freedom Fund to The Freedom Fund UK and $105,874 was owed by the Freedom Fund UK to The Freedom Fund Ethiopia.)

A total of $3,917,730 (2021: $3,606,801) was re-charged to the Freedom Fund by the Freedom Fund UK for program management, fundraising and administrative services provided.

Accounts

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

THE FREEDOM FUND UK

Registered Company number - 08926428 (England and Wales)
Registered Charity number – 1158838 (England and Wales)

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2021

Reference & administrative details

Registered office
Lighterman House
30 Wharfdale Road
London N1 9RY

Trustees
Mr. A A Doust
Ms. M S Gochman
Ms. F J Gooding
Mr. A J McCormick
Mr. M Pandey
Mr. P Sion
Ms. G Forrest
Ms. N Dolby
Ms. D Miller (resigned 23rd February 2021)
Dr. Gaurav Arya (resigned 2nd December 2021)

Company Secretary
Ms. Z Marshall

Key management personnel

Chief Executive Officer
Mr. Nick Grono
Managing Director of Programs
Mr. Dan Vexler
Director of Programs
Ms. Audrey Guichon (resigned 18th April 2021)
Director of Programs
Ms. Havovi Wadia (appointed 1st October 2021)
Managing Director Development, Partnerships
Ms. Margaret Gardner
Managing Director of Finance and Administration
Ms. Zoe Marshall

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

Principal bankers
Metro Bank
1 Southampton Row
London WC1B 5HA

Solicitors
Bates, Wells and Braithwaite,
10 Queen St Pl,
London EC4R 1BE

Trustees' report

Structure, governance & management
The Freedom Fund UK is a part of the Freedom Fund charities. It is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838) and governed by a Memorandum and Article of Association.

The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund, which also holds the power to appoint trustees to the board of directors.
The Freedom Fund UK has no fundraising activity requiring disclosure under S162A of the Charities Act 2011.

The trustees are committed to maintaining high standards of governance and are satisfied that the charity applies the principles of the Charity Governance Code within its current governance arrangements. The Freedom Fund UK's compliance with the Code will be reviewed on an annual basis.

One third of directors are retired on an annual basis, although they may be eligible for re-election. Trustees are inducted by the CEO and Chair of the charity as well as being provided with a pack of useful governance documents. Board meetings are organised so as to provide further opportunities for trustees to gain a deeper understanding of The Freedom Fund's work - for example by being timed to coincide with convenings that bring together sector experts, representatives of our partner organisations overseas, and other funders. Several trustees also visit the overseas work of the organisation during the course of normal year.

Public Benefit Statement
The trustees have considered the issue of public benefit and are confident that the breadth and scope of work undertaken, as disclosed in this report, complies with Section 17 of the Charities Act 2011 and has due regard to the Charity Commission's general guidance on public benefit. The trustees consider FFUK's work as part of the Freedom Fund Group to address human trafficking clearly meets the Commission's public benefit test.

Objects & activities
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- the reduction and eradication of human trafficking in all its forms, including the adoption of means by which to combat modern slavery;
- the prevention and relief of suffering of the victims of human trafficking and other modern forms of slavery by providing medical, psychological, educational, social and other support services to such persons;
- the relief of financial and other hardship of the victims of human trafficking and modern slavery and the dissemination of the useful results of such research; and
- the advancement of the education of the public in the causes, manifestations and consequences of human trafficking and other modern forms of slavery and the provision of related advice and support to government bodies, police forces, border and immigration agencies and other enforcement organisations.

Achievements & performance
During this period, the Freedom Fund UK provided programme management, financial and administrative support to the Freedom Fund (US) in pursuant of its charitable objectives, which are identical to that of the Freedom Fund UK.

Plans for the future
The Freedom Fund UK has been leveraging the work carried out by the Freedom Fund (US), the other entity in the group, with whom it shares identical aims and objectives, to seek funding from UK and European donors.

The Freedom Fund UK continues to look for other opportunities to attract income in support of the Group's mission. In the meantime, the Freedom Fund UK will continue to employ staff and provide services to the Group.

Remuneration policy

The Freedom Fund UK aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. Salaries are benchmarked on a regular basis against comparable organisations in the sector and this includes the review of key management personnel.

Grants policy

The majority of our charitable work is carried out by making grants to our partners organisations. Grants are only made within our agreed strategies. Project proposals are subject to a formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence.

Financial Review

During the year, the charity received income of $3,609,036 (2020: $3,422,014) which mostly represents management recharges to Freedom Fund, the sole member of the Freedom Fund UK for program management, fundraising and administrative support provided.
Expenditure was $3,633,379 in the year, leaving a net deficit, after gains and losses of $24k.

Principle Risks and Uncertainty

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Proper records are maintained and financial information, used within the charity or for publication, is reliable
- The charity complies with relevant laws and regulations.

This is achieved through systems of financial control, risk management and compliance. Any significant findings or identified risks are examined so that appropriate action can be taken, including take account of emerging risks and new areas of business.

The principle risk facing the organisation at the time of writing is the threat to continuity of staffing arising from COVID-19. A COVID-19 Task Force has been established in 2020 to oversee the organisational response to the virus including the development of plans to mitigate associated risks.

Reserves

Reserves at the end of the year were $145k, which were all unrestricted.

As the organisation currently provides programme management, financial management and administrative support to the Freedom Fund (US), it is felt prudent that reserves should be in the region of 3-6 months of expenditure after recharges to Freedom Fund (US), in order to cover the cashflow requirements of providing these services. The trustees consider that this level of reserves is sufficient given the availability of support available from The Freedom Fund. Fixed assets are not currently included in the calculation for free reserves as 90% of the depreciation is being recharged to Freedom Fund US entity. This target is currently exceeded as no grants were reported in Freedom Fund (UK) during the year, but trustees have agreed that a de minimis amount of cash should be held in Freedom Fund (UK) of between $100k and $200k in order to fund working capital requirements.

Going Concern

The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

Trustees' report (cont'd)

Statement of Trustees' responsibilities

The trustees, who are also the directors under company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the Statement of Recommended Practice for Charities SORP (FRS 102), Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the profit or loss of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement to auditors

Insofar as each of the trustees of the company at the date of approval of this report is aware:
- there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware.
- Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by order of the board of trustees 03rd May 2022.

Ms. F J Gooding - Treasurer

Independent Auditor's Report to the Members of The Freedom Fund UK

Opinion

We have audited the financial statements of The Freedom Fund UK 'the charitable company' for the year ended 31 December 2021 which comprise of the Statement of Financial Activities, Balance Sheet, Cash flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

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 and the strategic 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 strategic report 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 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 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 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 together with the Charities SORP (FRS102) 2019. 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation

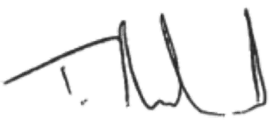
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, 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 and reading minutes of meetings of those charged with governance.

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



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

25 May 2022

Statement of Financial Activities (incorporating the income and expenditure account) for the year ended 31 December 2021

	Notes	Unrestricted funds $	Restricted funds $	2021 Total $	Unrestricted funds $	Restricted funds $	2020 Total $
Income from							
Donations	*2*	2,224	-	2,224	36,292	-	36,292
Charitable activities	*3*	3,606,801	-	3,606,801	3,060,453	325,178	3,385,631
Investment income		11	-	11	91	-	91
Total income		**3,609,036**	**-**	**3,609,036**	**3,096,836**	**325,178**	**3,422,014**
Expenditure on							
Raising funds	*4*	5,408	-	5,408	4,832	-	4,832
Charitable activities	*5*	3,627,971	-	3,627,971	3,106,502	325,178	3,431,680
Total expenditure		**3,633,379**	**-**	**3,633,379**	**3,111,334**	**325,178**	**3,436,512**
Net (expenditure)/ income		**(24,343)**	**-**	**(24,343)**	**(14,498)**	**-**	**(14,498)**
Loss on foreign exchange		-	-	-	-	-	-
Net movement on funds		**(24,343)**	**-**	**(24,343)**	**(14,498)**	**-**	**(14,498)**
Reconciliation of funds							
Total funds brought forward		169,343	-	169,343	183,841	-	183,841
Total funds carried forward		**145,000**	**-**	**145,000**	**169,343**	**-**	**169,343**

The notes on pages 12 to 18 form a part of these financial statements.

Balance Sheet for the year ended 31 December 2021

	Notes	2021	2020
		$	**$**
Fixed assets			
Tangible assets	*7*	55,582	97,470
Total fixed assets		**55,582**	**97,470**
Current assets			
Debtors	*8*	177,646	149,520
Cash at bank and in hand		143,887	482,330
Total current assets		**321,533**	**631,850**
Liabilities			
Creditors: amounts falling due within one year	*9*	(232,115)	(559,977)
Net current assets		**89,418**	**71,873**
Total assets less current liabilities		**145,000**	**169,343**
Total net assets		**145,000**	**169,343**
Funds			
Restricted income funds	*11*	-	-
Unrestricted income funds		145,000	169,343
Total funds		**145,000**	**169,343**

These accounts have been prepared in accordance with the provision of the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

Approved and authorised for issue by the trustees on 03rd May 2022 and signed on their behalf by Ms. F J Gooding on 03rd May 2022

The notes on pages 12 to 18 form a part of these financial statements.

Cashflow Statement for the year ended 31 December 2021

	2021	2020
	$	$
Cashflow from operating activities (see note A):		
Net cash (used in) provided by operating activities	(338,432)	403,884
Cash flows from investing activities		
Interest income	(11)	(92)
Purchase of property, plant and equipment	-	(31,475)
Net (Decrease)/ increase in cash	(338,443)	372,317
Cash flows from financing activities		
Cash and cash equivalents at the beginning of the reporting period	482,330	110,012
Change in cash and cash equivalents in reporting period	(338,443)	372,318
Cash and cash equivalents at the end of the reporting period	**143,887**	**482,330**

	2021	2020
A - Reconciliation of cash flows from operating activities	$	$
Net expenditure	(24,343)	(14,498)
Depreciation charges	41,889	41,156
Loss on disposal of fixed assets	-	-
Interest income	11	92
Foreign exchange gain/(loss)	-	-
(Increase) / decrease in debtors	(28,127)	70,131
(Decrease) / increase in creditors falling due within one year	(327,862)	307,003
Net cash (used in) / provided by operating activities	**(338,432)**	**403,884**

The notes on pages 12 to 18 form a part of these financial statements.

1. Accounting policies

Charitable company background
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights, working towards the eradication of modern slavery. Further details are provided within the Trustees' Report.

The Freedom Fund UK is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838). It is also a wholly owned subsidiary of The Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768).

Basis of accounting
The Freedom Fund is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Financial Reporting Standard applicable in the UK (FRS102) (August 2014) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. The Trustees have also taken due regard to the Charity Commission's guidance on public benefit.

The Trustees have considered the impact of Covid-19 on the charity and its funds and have considered the support available from The Freedom Fund. The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The financial statements have been prepared under the historical convention in accordance with applicable accounting standards.

The functional currency of Freedom Fund UK is considered to be US Dollars because that is the currency of the primary economic environment in which the charity operates.

Income
All incoming resources accruing to the charity during the year are recognised in the statement of financial activities when there is entitlement to the income, receipt is probable and can be measured with reliability.

Income from charitable activities consists of grant income and management recharges. A proportion of costs incurred in the support activities are recharged as a service to the Freedom Fund at arms-length in accordance with the service level agreement between both entities and recognised to the extent costs have been incurred and so the service delivered during the year. The basis of this proportion is reviewed periodically on the level of activity.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources.

The majority of overheads have been apportioned on the basis of estimated time spent because that is the main driver of costs in the charity. Expenditure is stated in line with the Charities SORP (FRS102).

Support costs, which include finance, IT, head office functions and facilities are allocated across the categories of charitable expenditure, governance and raising funds. These support costs are included within charitable activities and a proportion recharged to the Freedom Fund as noted in the income recognition policy. The basis of the cost allocation is explained in note 5. Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the

provision of services. Grants are charged to the Statement of Financial Activity when a constructive obligation exists. Irrecoverable VAT is charged as a cost to the Statement of Financial Activity.

Tangible assets and depreciation
Assets with a cost in excess of $1,000 intended to be of ongoing use are capitalised as fixed assets. Fixed assets are included at cost. Depreciation is charged, on a straight-line basis, as follows:

- Furniture and fittings - 4 years
- Computer and office equipment - 4 years

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value.

Any permanent impairment is recognised in the Statement of Financial Activities in the year in which it occurs.

Fund accounting
Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see Report of the Trustees).

Where funds are received under contracts to provide services they are classified as restricted, this is on the basis that the contracts specify the service to be performed by the charity. The treatment of these contracts as restricted enables monitoring of performance and outcomes against the contractual agreement.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the restricted funds are also set out in note 11 to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Pension costs
Contributions to the employee's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme.

Financial instruments
The Freedom Fund UK has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost).

Financial assets held at amortised cost comprise cash at bank and in hand, and the charity's debtors excluding prepayments and accrued income. Financial liabilities held at amortised cost comprise the charity's short- and long-term creditors excluding deferred income and accrued expenditure. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Critical accounting judgements and key sources of estimation uncertainty policy
In the application of the charity's accounting policies, which are described above in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Support costs incurred by The Freedom Fund UK, which are made up of payroll costs, fundraising, and governance, are shared with The Freedom Fund (US entity) in accordance with the services agreement between both entities dated 24 May 2016. The allocation is a judgement made by management and the share of costs is calculated and reviewed regularly to reflect the time spent by staff on The Freedom Fund and activities of both entities.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Income from donations

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Total 2020
	$	$	$	$
Other	691	-	691	751
Grants	1,533	-	1,533	35,541
	2,224	**-**	**2,224**	**36,292**

3. Income from charitable activities

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Total 2020
	$	$	$	$
DFID	-	-	-	325,178
Management recharge	3,606,801	-	3,606,801	3,060,453
	3,606,801	**-**	**3,606,801**	**3,385,631**

4. Expenditure on raising funds

	Direct costs 2021	Support costs 2021	Total 2021	Total 2020
	$	$	$	$
Donations	-	2,704	2,704	2,416
Charitable activities	-	2,704	2,704	2,416
	-	**5,408**	**5,408**	**4,832**

5. Expenditure on charitable activities

	Grants payable to institutions	Direct costs	Support costs	Total	Total
	2021	2021	2021	2021	2020
	$	$	$	$	$
Grants payable	-	-	-	-	325,178
Staff costs recharges	-	2,467,434	772,384	3,239,818	2,633,917
Office costs	-	-	285,757	285,757	309,227
Foreign exchange losses	-	-	83,415	83,415	155,233
Finance and governance costs	-	-	18,981	18,981	8,125
	-	**2,467,434**	**1,160,537**	**3,627,971**	**3,431,680**

Costs have been apportioned to various activity on the basis of time spent by staff.
Charitable activities include the management recharges.

Included within finance and governance costs above are fees payable to the charity's auditors of $18,900 (2020: $8,001), in GBP £14,000 (2020: £5,900)

6. Staff costs

The key management personnel of the charity comprises of Trustees (who receive no remuneration) and directors. The total remuneration and benefits received by the directors during the year was $919,822 (2020: $901,225).

Staff costs of $3,239,818 (2020: $2,633,917) were recharged to the Freedom Fund for program management, fundraising and administrative support provided.

No trustee expenses were paid in the year (2020: $nil)

	2021	2020
	$	$
Wages & salaries (including life and health insurance)	2,651,129	2,177,698
Social security costs	307,266	252,542
Pension costs	283,810	205,784
	3,242,205	**2,636,024**

The average number of staff employed by the Freedom Fund UK in the year was 36 (2020: 30).

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2021 No.	2020 No.
$80,999 - $94,497 (£60,000 - £69,999)	2	2
$94,498 - $107,997 (£70,000 - £79,999)	2	2
$107,998 - $121,496 (£80,000 - £89,999)	0	2
$121,497 - $134,996 (£90,000-$99,999)	3	0
$296,995 - $310,493 (£220,000 - £229,999)	1	1

7. Tangible fixed assets

	Computer and office equipment 2021 $	Furniture & Fittings 2021 $	Total 2021 $
Cost			
At 1 January 2021	92,372	112,068	204,440
Additions	-	-	-
Disposals	-	-	-
At 31 December 2021	**92,372**	**112,068**	**204,440**
Depreciation			
At 1 January 2021	50,581	56,389	106,970
Charge for the year	14,188	27,701	41,889
Disposals	-	-	-
At 31 December 2021	**64,769**	**84,090**	**148,859**
Net book value			
At 31 December 2021	**27,603**	**27,978**	**55,582**
At 31 December 2020	41,791	55,679	97,470

8. Debtors

	Total 2021 $	Total 2020 $
Amounts due from other group entities	7,050	-
Other debtors	76,744	76,491
Prepayments and accrued income	93,852	73,029
	177,646	**149,520**

9. Creditors: amounts falling due within one year

	Total 2021 $	Total 2020 $
Amount owed to other group entities	-	322,482
Other creditors	10,816	40,035
Taxation and social security	88,659	75,997
Accruals	132,640	121,463
	232,115	**559,977**

10. Statement of restricted funds

	Balance 1 Jan 2021 $	Income $	Expenditure $	Balance 31 Dec 2021 $
Restricted funds name				
	-	-	-	-
	-	**-**	**-**	**-**

	Balance 1 Jan 2020 $	Income $	Expenditure $	Balance 31 Dec 2020 $
Restricted funds name				
DFID	-	325,178	325,178	-
	-	**325,178**	**325,178**	**-**

DFID fund was an emergency Covid-19 response fund grant to offer critical small-scale funding to some frontline partners working with vulnerable communities in India and Ethiopia.

11. Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by:

	Unrestricted funds $	Restricted funds $	2021 Total $
Fixed assets	55,582	-	55,582
Net current assets	89,418	-	89,418
	145,000	**-**	**145,000**

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds	Restricted funds	2020 Total
	$	$	$
Fixed assets	97,470	-	97,470
Net current assets	71,873	-	71,873
	169,343	**-**	**169,343**

12. Operating lease commitments

As at 31 December 2021, the total of future minimum lease payments under non-cancellable operating leases are:

	Land and Buildings		Other	
	2021	2020	2021	2020
	$	$	$	$
Operating leases which expire:				
Within 1 Year	224,863	198,039	-	431
Between 2 and 5 Years	197,140	-	-	-
	422,003	198,039	-	431

13. Controlling party and related party transactions

The Freedom Fund UK, a registered UK charity (registration number 1158838) is a part of the Freedom Fund charities. The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK and thus holds the power to appoint trustees to the board of directors, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund.
The Freedom Fund is the ultimate parent of the Freedom Fund UK and the registered office address of the Freedom Fund is 315 Flatbush Avenue, #406 Brooklyn, NY 11217 USA.

The Freedom Fund UK was set up to facilitate the operations of the Freedom Fund in the UK, Europe and internationally. At 31 December 2021, $112,924 was owed by The Freedom Fund to The Freedom Fund UK (2020: $216,608 was owed by the Freedom Fund UK to The Freedom Fund and $105,874 was owed by the Freedom Fund UK to The Freedom Fund Ethiopia.)

A total of $3,606,801 (2020: $3,095,994) was re-charged to the Freedom Fund by the Freedom Fund UK for program management, fundraising and administrative services provided.

THE FREEDOM FUND UK

England & Wales - Charity number 1158838

Accounts

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

THE FREEDOM FUND UK

Registered Company number - 08926428 (England and Wales)
Registered Charity number – 1158838 (England and Wales)

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2020

Reference & administrative details

Registered office
Lighterman House
30 Wharfdale Road
London N1 9RY

Trustees
Mr. A A Doust
Ms. M S Gochman
Ms. F J Gooding
Mr. E J Marcum (resigned 10th March 2020)
Mr. A J McCormick
Mr. H Mundol (resigned 10th March 2020)
Mr. M Pandey (appointed 10th March 2020)
Mr. P Sion
Ms. G Forrest (appointed 5th November 2020)
Ms. N Dolby (appointed 5th November 2020)
Ms. D Miller (resigned 23rd February 2021)

Company Secretary
Ms. Z Marshall

Key management personnel

Chief Executive Officer
Mr. Nick Grono
Managing Director of Programs
Mr. Dan Vexler
Director of Programs
Ms. Audrey Guichon (resigned 18th April 2021)
Managing Director Development, Partnerships
Ms. Ulrike Hellman (resigned 31st August 2020)
Managing Director Development, Partnerships
Ms. Margaret Gardner (appointed 3rd August 2020)
Managing Director of Finance and Administration
Ms. Zoe Marshall

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

Principal bankers
Metro Bank
1 Southampton Row
London WC1B 5HA

Solicitors
Bates, Wells and Braithwaite,
2–6 Cannon Street,
London, EC4M 6YH

The Freedom Fund UK
Trustees' report and financial statements
for the year ended 31 December 2020

Trustees' report

Structure, governance & management
The Freedom Fund UK is a part of the Freedom Fund charities. It is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838) and governed by a Memorandum and Article of Association.

The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund, which also holds the power to appoint trustees to the board of directors.

The trustees are committed to maintaining high standards of governance and are satisfied that the charity applies the principles of the Charity Governance Code within its current governance arrangements. The Freedom Fund UK's compliance with the Code will be reviewed on an annual basis.

One third of directors are retired on an annual basis, although they may be eligible for re-election. Trustees are inducted by the CEO and Chair of the charity as well as being provided with a pack of useful governance documents. Board meetings are organised so as to provide further opportunities for trustees to gain a deeper understanding of The Freedom Fund's work - for example by being timed to coincide with convenings that bring together sector experts, representatives of our partner organisations overseas, and other funders. Several trustees also visit the overseas work of the organisation during the course of normal year.

Public Benefit Statement
The trustees have considered the issue of public benefit and are confident that the breadth and scope of work undertaken, as disclosed in this report, complies with Section 17 of the Charities Act 2011 and has due regard to the Charity Commission's general guidance on public benefit. The trustees consider FFUK's work as part of the Freedom Fund Group to address human trafficking clearly meets the Commission's public benefit test.

Objectives & activities
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- the reduction and eradication of human trafficking in all its forms, including the adoption of means by which to combat modern slavery;
- the prevention and relief of suffering of the victims of human trafficking and other modern forms of slavery by providing medical, psychological, educational, social and other support services to such persons;
- the relief of financial and other hardship of the victims of human trafficking and modern slavery and the dissemination of the useful results of such research; and
- the advancement of the education of the public in the causes, manifestations and consequences of human trafficking and other modern forms of slavery and the provision of related advice and support to government bodies, police forces, border and immigration agencies and other enforcement organisations.

Achievements & performance
During this period, the Freedom Fund UK:
- provided programme management, financial and administrative support to the Freedom Fund (US) in pursuant of its charitable objectives, which are identical to that of the Freedom Fund UK,
- successfully secured an emergency Covid-19 response fund grant from the Department for International Development (DFID) to offer critical small-scale funding to some frontline partners working with vulnerable communities in India and Ethiopia. The fund leveraged the existing pathbreaking model of "hotspots", a network of trusted front-line organisations who coordinate anti-slavery interventions and provide targeted support to those most in need in their communities.

Plans for the future
The Freedom Fund UK has been leveraging the work carried out by the Freedom Fund (US), the other entity in the group, with whom it shares identical aims and objectives, to seek funding from UK and European donors.

The DFID relief grant ended in 2020 but Freedom Fund UK continues to look for other opportunities to attract income in support of the Group's mission. In the meantime, the Freedom Fund UK will continue to employ staff and provide services to the Group.

Remuneration policy

The Freedom Fund UK aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. Salaries are benchmarked on a regular basis against comparable organisations in the sector and this includes the review of key management personnel.

Grants policy

The majority of our charitable work is carried out by making grants to our partners organisations. Grants are only made within our agreed strategies. Project proposals are subject to a formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence.

Financial Review

During the year, the charity received income of $3,422,014 (2019: $3,068,682) of which $325k was restricted to fund some frontline partners working with vulnerable communities in India and Ethiopia during the Covid-19 pandemic.
Expenditure was $3,436,512 in the year, leaving a net deficit, after gains and losses of $14k.

Principle Risks and Uncertainty

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Proper records are maintained and financial information, used within the charity or for publication, is reliable
- The charity complies with relevant laws and regulations.

This is achieved through systems of financial control, risk management and compliance. Any significant findings or identified risks are examined so that appropriate action can be taken, including take account of emerging risks and new areas of business.

The principle risk facing the organisation at the time of writing is the risk of financial instability and the threat to continuity of staffing arising from COVID-19. A COVID-19 Task Force has been established in 2020 to oversee the organisational response to the virus including the development of plans to mitigate associated risks.

Reserves

Reserves at the end of the year were $169k, which were all unrestricted.

As the organisation currently provides programme management, financial management and administrative support to the Freedom Fund (US), it is felt prudent that reserves should be in the region of 3-6 months of expenditure (approximately $90k-$180k), in order to cover the cashflow requirements of providing these services. The trustees consider that this level of reserves is sufficient given the availability of support available from The Freedom Fund. Fixed assets are not currently included in the calculation for free reserves as 90% of the depreciation is being recharged to Freedom Fund US entity. This target is currently being met.

Going Concern

The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

Trustees' report (cont'd)

Statement of Trustees' responsibilities

The trustees, who are also the directors under company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the Statement of Recommended Practice for Charities SORP (FRS 102), Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the profit or loss of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement to auditors

Insofar as each of the trustees of the company at the date of approval of this report is aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware.
- Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by order of the board of trustees 05th May 2021.

Ms. F J Gooding - Treasurer

Independent Auditor's Report to the Members of The Freedom Fund UK

Opinion

We have audited the financial statements of The Freedom Fund UK 'the charitable company' for the year ended 31 December 2020 which comprise of the Statement of Financial Activities, Balance Sheet, Cash flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information 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.

Independent Auditor's Report to the Members of The Freedom Fund UK (cont.)

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 and the strategic 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 strategic report 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 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 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 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. 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.

Independent Auditor’s Report to the Members of The Freedom Fund UK (cont.)

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 together with the Charities SORP (FRS102) 2019. 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were:

- General Data Protection Regulation (GDPR)
- Anti-fraud, bribery and corruption legislation
- Environmental protection legislation
- Health and safety legislation
- Taxation legislation
- Employment legislation

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, including fraud, to be within the timing of recognition of income, grant expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, 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 and reading minutes of meetings of those charged with governance.

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. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London 14 July 2021

Statement of Financial Activities (incorporating the income and expenditure account) for the year ended 31 December 2020

	Notes	Unrestricted funds	Restricted funds	2020 Total	Unrestricted funds (Restated)	Restricted funds	2019 Total
		$	$	$	$	$	$
Income from							
Donations	*2*	36,292	-	36,292	4,422	-	4,422
Charitable activities	*3*	3,060,453	325,178	3,385,631	2,621,918	442,082	3,064,000
Investment income		91	-	91	260	-	260
Total income		**3,096,836**	**325,178**	**3,422,014**	**2,626,600**	**442,082**	**3,068,682**
Expenditure on							
Raising funds	*4*	4,832	-	4,832	5,141	-	5,141
Charitable activities	*5*	3,106,502	325,178	3,431,680	2,635,109	595,681	3,230,790
Total expenditure		**3,111,334**	**325,178**	**3,436,512**	**2,640,250**	**595,681**	**3,235,931**
Net (expenditure)/ income		**(14,498)**	**-**	**(14,498)**	**(13,650)**	**(153,599)**	**(167,249)**
Loss on foreign exchange		-	-	-	8	-	8
Net movement on funds		**(14,498)**	**-**	**(14,498)**	**(13,642)**	**(153,599)**	**(167,242)**
Reconciliation of funds							
Total funds brought forward		183,841	-	183,841	197,483	153,599	351,082
Total funds carried forward		**169,343**	**-**	**169,343**	**183,841**	**-**	**183,841**

The notes on pages 12 to 18 form a part of these financial statements.

Balance Sheet for the year ended 31 December 2020

	Notes	2020	2019
		$	$
Fixed assets			
Tangible assets	*8*	97,470	107,151
Total fixed assets		**97,470**	**107,151**
Current assets			
Debtors	*9*	149,520	219,651
Cash at bank and in hand		482,330	110,013
Total current assets		**631,850**	**329,664**
Liabilities			
Creditors: amounts falling due within one year	*10*	(559,977)	(252,975)
Net current assets		**71,873**	**76,689**
Total assets less current liabilities		**169,343**	**183,841**
Total net assets		**169,343**	**183,841**
Funds			
Restricted income funds	*11*	-	-
Unrestricted income funds		169,343	183,841
Total funds		**169,343**	**183,841**

These accounts have been prepared in accordance with the provision of the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

Approved by the trustees on 05th May 2021 and signed on their behalf by Ms. F J Gooding on 05th May 2021

The notes on pages 12 to 18 form a part of these financial statements.

Cashflow Statement for the year ended 31 December 2020

	2020	2019
	$	$
Cashflow from operating activities (see note A):		
Net cash provided by operating activities	403,884	(111,417)
Cash flows from investing activities		
Interest income	(92)	(260)
Purchase of property, plant and equipment	(31,475)	(31,444)
Net (Decrease)/ increase in cash	372,317	(143,121)
Cash flows from financing activities		
Cash and cash equivalents at the beginning of the reporting period	110,012	253,133
Change in cash and cash equivalents in reporting period	372,318	(143,121)
Cash and cash equivalents at the end of the reporting period	**482,330**	**110,012**

	2020	2019
A - Reconciliation of cash flows from operating activities	$	$
Net incoming resources	(14,498)	(167,249)
Depreciation charges	41,156	30,010
Loss on disposal of fixed assets	-	135
Interest income	92	260
Foreign exchange gain/(loss)	-	8
Increase in debtors	70,131	(20,503)
Increase in creditors falling due within one year	307,003	45,924
Net cash provided by operating activities	**403,884**	**(111,417)**

The notes on pages 12 to 18 form a part of these financial statements.

1. Accounting policies

Charitable company background
The objects of the Freedom Fund UK, which further the charity's purposes for public benefit, are to promote human rights, working towards the eradication of modern slavery. Further details are provided within the Trustees' Report.

The Freedom Fund UK is a company limited by guarantee (company number 08926428), registered in England and Wales. It is also registered in the UK with the Charity Commission (charity number 1158838). It is also a wholly owned subsidiary of The Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768).

Basis of accounting
The Freedom Fund is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Financial Reporting Standard applicable in the UK (FRS102) (August 2014) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. The Trustees have also taken due regard to the Charity Commission's guidance on public benefit.

The Trustees have considered the impact of Covid-19 on the charity and its funds and have considered the support available from The Freedom Fund. The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

The financial statements have been prepared under the historical convention in accordance with applicable accounting standards.

The functional currency of Freedom Fund UK is considered to be US Dollars because that is the currency of the primary economic environment in which the charity operates.

Income
All incoming resources accruing to the charity during the year are recognised in the statement of financial activities when there is entitlement to the income, receipt is probable and can be measured with reliability.

Income from charitable activities consists of grant income and management recharges. A proportion of costs incurred in the support activities are recharged as a service to the Freedom Fund at arms-length in accordance with the service level agreement between both entities. The basis of this proportion is reviewed periodically on the level of activity.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources.

The majority of overheads have been apportioned on the basis of estimated time spent because that is the main driver of costs in the charity. Expenditure is stated in line with the Charities SORP (FRS102).

Support costs, which include finance, IT, head office functions and facilities are allocated across the categories of charitable expenditure, governance and raising funds. These support costs are included within charitable activities and a proportion recharged to the Freedom Fund as noted in the income recognition policy. The basis of the cost allocation is explained in note 5. Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the provision of services. Grants are charged to the Statement of Financial Activity when a constructive obligation exists. Irrecoverable VAT is charged as a cost to the Statement of Financial Activity.

Tangible assets and depreciation
Assets with a cost in excess of $1000 intended to be of ongoing use are capitalised as fixed assets. Fixed assets are included at cost. Depreciation is charged, on a straight-line basis, as follows:

- Furniture and fittings - 4 years
- Computer and office equipment - 4 years

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value.

Any permanent impairment is recognised in the Statement of Financial Activities in the year in which it occurs.

Fund accounting
Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see Report of the Trustees).

Where funds are received under contracts to provide services they are classified as restricted, this is on the basis that the contracts specify the service to be performed by the charity. The treatment of these contracts as restricted enables monitoring of performance and outcomes against the contractual agreement.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the restricted funds are also set out in note 11 to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Pension costs
Contributions to the employee's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme.

Financial instruments
The Freedom Fund UK has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost).

Financial assets held at amortised cost comprise cash at bank and in hand, and the charity's debtors excluding prepayments and accrued income. Financial liabilities held at amortised cost comprise the charity's short- and long-term creditors excluding deferred income and accrued expenditure. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Critical accounting judgements and key sources of estimation uncertainty policy
In the application of the charity's accounting policies, which are described above in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Support costs incurred by The Freedom Fund UK, which are made up of payroll costs, fundraising, and governance, are shared with The Freedom Fund (US entity) in accordance with the services agreement between both entities dated 24 May 2016. The allocation is a judgement made by management and the share of costs is calculated and reviewed regularly to reflect the time spent by staff on The Freedom Fund and activities of both entities.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Income from donations

	Unrestricted funds 2020	Restricted funds 2020	Total 2020	Total 2019
	$	$	$	$
Other	751	-	751	4,422
Grants	35,541	-	35,541	-
	36,292	**-**	**36,292**	**4,422**

3. Income from charitable activities

	Unrestricted funds 2020	Restricted funds 2020	Total 2020	Total 2019
	$	$	$	$
Comic Relief	-	-	-	442,082
DFID	-	325,178	325,178	-
Management recharge	3,060,453	-	3,060,453	2,621,918
	3,060,453	**325,178**	**3,385,631**	**3,064,000**

4. Expenditure on raising funds

	Direct costs 2020	Support costs 2020	Total 2020	Total 2019
	$	$	$	$
Donations	-	2,416	2,416	2,570
Charitable activities	-	2,416	2,416	2,571
	-	**4,832**	**4,832**	**5,141**

5. Expenditure on charitable activities

	Grants payable to institutions	Direct costs	Support costs	Total	Total
	2020	2020	2020	2020	2019
	$	$	$	$	$
	-	-	-	-	
Grants payable	325,178	-	-	325,178	595,682
Staff costs recharges	-	1,921,042	712,875	2,633,917	2,189,224
Office costs	490	-	316,862	317,352	311,446
Foreign exchange losses	-	-	155,233	155,233	134,439
	325,668	**1,921,042**	**1,184,970**	**3,431,680**	**3,230,791**

6. Analysis of support costs

	Management costs	Office costs	Finance & governance costs	Total	Total
	2020	2020	2020	2020	2019
	$	$	$	$	$
Charitable activities	2,634,407	463,970	8,125	3,106,502	2,635,108
Fundraising	4,832	-	-	4,832	5,141
	2,639,239	**463,970**	**8,125**	**3,111,334**	**2,640,249**

Costs have been apportioned to various activity on the basis of time spent by staff.
Charitable activities include the management recharges.

Included within finance and governance costs above are fees payable to the charity's auditors of $8,001 (2019: $8,342), in GBP £5,900 (2019: £6,360)

7. Staff costs

The key management personnel of the charity comprises of Trustees (who receive no remuneration) and directors. The total remuneration and benefits received by the directors during the year was $901,225 (2019: $873,631).

Staff costs of $2,633,917 (2019: $2,189,224) were recharged to the Freedom Fund for program management, fundraising and administrative support provided.

No trustee expenses were paid in the year (2019: $nil)

	2020	2019
	$	$
Wages & salaries (including life and health insurance)	2,177,698	1,822,479
Social security costs	252,542	207,962
Pension costs	205,784	163,923
	2,636,024	**2,194,364**

The average number of staff employed by the Freedom Fund UK in the year was 30 (2019: 25).

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2020 No.	2019 No.
$81,368 - $94,928 (£60,000 - £69,999)	2	2
$94,929 - $108,489 (£70,000 - £79,999)	2	1
$108,490 - $122,051 (£80,000 - £89,999)	2	3
$298,350 - $311,910 (£220,000 - £229,999)	1	
$325,472 - $339,032 (£240,000 - £249,999)		1

8. Tangible fixed assets

	Computer and office equipment 2020 $	Furniture & Fittings 2020 $	Total 2020 $
Cost			
At 1 January 2020	60,897	112,068	172,965
Additions	31,475	-	31,475
Disposals	-	-	-
At 31 December 2020	**92,372**	**112,068**	**204,440**
Depreciation			
At 1 January 2020	37,126	28,688	65,814
Charge for the year	13,455	27,701	41,156
Disposals	-	-	-
At 31 December 2020	**50,581**	**56,389**	**106,970**
Net book value			
At 31 December 2020	**41,791**	**55,679**	**97,470**
At 31 December 2019	23,771	83,380	107,151

9. Debtors

	Total 2020 $	Total 2019 $
Intercompany	-	86,413
Other debtors	76,491	73,677
Prepayments and accrued income	73,029	59,561
	149,520	**219,651**

10. Creditors: amounts falling due within one year

	Total 2020 $	Total 2019 $
Intercompany	322,482	-
Other creditors	40,035	32,135
Taxation and social security	75,997	70,679
Accruals	121,463	150,161
	559,977	**252,975**

11. Statement of restricted funds

	Balance 1 Jan 2020 $	Income $	Expenditure $	Balance 31 Dec 2020 $
Restricted funds name				
DFID	-	325,178	325,178	-
	-	**325,178**	**325,178**	**-**

DFID fund was an emergency Covid-19 response fund grant to offer critical small-scale funding to some frontline partners working with vulnerable communities in India and Ethiopia.

	Balance 1 Jan 2019 $	Income $	Expenditure $	Balance 31 Dec 2019 $
Restricted funds name				
Comic Relief	153,599	442,082	595,681	-
	153,599	**442,082**	**595,681**	**-**

The Comic Relief funds were spent in Central Nepal hotspot to tackle the commercial sexual exploitation of children

12. Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds $	Restricted funds $	2020 Total $
Fixed assets	97,470	-	97,470
Net current assets	71,873	-	71,873
	169,343	**-**	**169,343**

Fund balances at 31 December 2019 are represented by:

	Unrestricted funds	Restricted funds	2019 Total
	$	$	$
Fixed assets	107,151	-	107,151
Net current assets	76,689	-	76,689
	183,840	**-**	**183,840**

13. Operating lease commitments

As at 31 December 2020 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2020	2019	2020	2019
	$	$	$	$
Operating leases which expire:				
Within 1 Year	198,039	221,253	431	762
Between 2 and 5 Years	-	192,134	-	244
	198,039	413,387	431	1,006

14. Controlling party and related party transactions

The Freedom Fund UK is a part of the Freedom Fund charities. The other entity in this group is the Freedom Fund, a United States registered 501(c)(3) public charity (EIN number 30-0805768). The Freedom Fund is the sole member of the Freedom Fund UK and thus holds the power to appoint trustees to the board of directors, making the Freedom Fund UK a wholly owned subsidiary of the Freedom Fund.

The Freedom Fund UK was set up to facilitate the operations of the Freedom Fund in the UK, Europe and internationally. At 31 December 2020, $216,608 was owed by The Freedom Fund UK to The Freedom Fund and $105,874 was owed by The Freedom Fund UK to The Freedom Fund Ethiopia (2019: $86,413 was owed by the Freedom Fund to The Freedom Fund UK.)

A total of $3,095,994 (2019: $2,621,918) was re-charged to the Freedom Fund by the Freedom Fund UK for program management, fundraising and administrative services provided.