

Registered in England and Wales No 6563365

Charity registered in England and Wales No: 1126097

Charity registered in Scotland No: SC045769

Hope for Justice

(A company limited by guarantee and not having a share capital)

Consolidated financial statements

For the year ended

31 March 2018

Hope for Justice

For the year ended 31 March 2018

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Hope for Justice

For the year ended 31 March 2018

Company information

Company number	6563365
Charity number	1126097
Trustees	P Elson (Chair) C Dacre P Davis (Resigned 1 May 2018) A Gibson N Grant G Henderson W Taylor M Warner
Registered Office	37 Market Square Witney Oxon OX28 6RE
Auditors	ReesRussell LLP Statutory Auditors 37 Market Square Witney Oxon OX28 6RE
Bankers	HSBC City Branch Park Row Leeds LS1 1LD Charities Aid Foundation 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA

Hope for Justice

Trustees' annual report

For the year ended 31 March 2018

The trustees present their report and financial statements for the year ended 31 March 2018

Objectives of the charity and principal activities

The principle activities are:

- a. to identify victims of human trafficking, build bridges of trust with them and safely remove them from situations of exploitation
- b. to assess victims needs and make recommendations to safehouse providers in the short-term and to assist survivors with finding jobs and building community in the longer-term
- c. to secure criminal and civil justice for victims and advocate for access to housing and health services, and for the cancellation of debts created by traffickers
- d. to train frontline professionals such as the police, social services, housing providers and outreach programmes to identify victims and/or work appropriately with them

Achievements, performance and future plans (UK)

In recognition of the importance of this report and having regard to the Commission's guidance on the public benefit, the information is presented under the headings which are the stated aims of the charity.

Prevent

Our outreach teams, self-help groups and community education initiatives empower people to protect themselves and their families from predatory traffickers and their recruiters.

Preventing trafficking through targeted community education

Hope for Justice shares child protection and trafficking prevention messages through our child wellbeing clubs, self-help groups and community workshops targeted in areas with the highest vulnerability, often in poor rural areas. Our clubs and workshops are not just lectures – participants also learn through the use of drama, poetry, debates and sport.

Preventing modern slavery by raising public awareness

At Hope for Justice, we believe that awareness leads to action. That's why in addition to offering in-depth professional training to those most likely to come into contact with potential victims of trafficking, we also run sessions for the general public, giving tips and advice on spotting the signs of modern slavery, and on ethical practices when buying goods and services from businesses.

It's also why our senior leaders can often be heard and seen in the media, highlighting our key messages, including the role that ordinary people can play in preventing modern slavery in their communities

Rescue

Hope for Justice investigators work closely with police and other agencies to identify victims of modern slavery, build bridges of trust with them and remove them from exploitation.

Hope for Justice joins police on dawn raids

In January 2018, Hope for Justice supported police on dawn raids that resulted in six arrests and 12 potential victims of trafficking being safeguarded. The Hope for Justice team was present to offer specialist support because of our expertise in working with victims of modern slavery and understanding the circumstances around this terrible crime.

We were pleased to assist Northumbria Police and a number of other agencies and charities, resulting in a very successful outcome.

Our investigators have worked with 56% of the police forces in England and Wales in an active or support capacity, offering vital specialist advice and assistance. We function as an alternative pathway out of exploitation for victims who are unwilling or too frightened to engage directly with police.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2018

Rescue (cont.)

Huge response to rescue documentary filmed with Hope for Justice

The work of Hope for Justice to rescue victims of modern slavery received extensive media attention following the broadcast of a special investigation by Sky News, whose reporter Adele Robinson was embedded with our investigators, trainers and outreach workers throughout 2017.

The special report was repeated more than 10 times over the course of a weekend, and was followed up by many other media outlets in the UK and abroad.

Restore

We work with victims to overcome trauma and rebuild their lives. We offer tailored restorative care initiatives and offer support to meet vital needs, including survivor-centred aftercare.

Bridging the support gap for survivors of modern slavery

Hope for Justice and its partners opened a house to offer a place to live for survivors of modern slavery as they begin the restoration process – which we hope will be the first of many, providing accommodation all over the country.

The house forms the first phase of The Bridge Project, which we launched because housing instability is one of the most pressing issues for survivors. It has a huge impact on mental health and continuity of care – but The Bridge Project will ensure survivors have that stability and assurance.

The first Bridge Project house has been launched in partnership with C3 Church and homelessness charity Hope into Action.

Hope for Justice's specialist advocacy team of Modern Slavery Advocates will work with survivors to help them overcome the challenging obstacles they face. With these key elements in place, survivors can have the confidence and support to find work that makes best use of their skills, building a better, hope-filled future.

Reform

We train professionals to spot the signs of trafficking and to respond, and campaign for policy change. We help businesses protect their operations and supply chains from modern slavery.

Reforming society

Hope for Justice trains frontline professionals – including police, NHS, homeless shelter staff, NGOs, community groups and many others – to spot the signs of modern slavery and to respond effectively.

We also seek policy change through governments and the media. Via our business membership initiative, Slave-Free Alliance, we help companies protect their supply chains from traffickers.

Hope for Justice assists in first ever conviction of a trafficker for breaching slavery risk order

Hope for Justice has been praised by a UK Crown Court judge for its assistance in the apprehension and conviction of a trafficker who is the first ever to be sentenced for breaching a slavery risk order.

The trafficker received a 42-month prison sentence, reduced because of a guilty plea, for breaching the interim slavery and trafficking risk order just weeks after it was imposed on him. These new types of anti-slavery measures were introduced under the Modern Slavery Act 2015.

Traffickers ordered to pay £16,500 to victims

Two human traffickers who were jailed after investigations and raids supported by Hope for Justice must now also pay thousands of pounds to their victims after exploiting them through forced labour.

The two gang members, jailed in 2017 for a total of five years and ten months after admitting offences linked to human trafficking and forced labour, were ordered in February 2018 to pay £16,500 to seven of their victims.

Hope for Justice's investigators and advocacy team played important roles in this case, with the court proceedings having followed operations and searches in October 2016 in the north-east of England, attended by Hope for Justice specialists.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2018

Fundraising

The issue of ethical fundraising remains a hot topic in the public domain. Whilst Hope for Justice has never employed the services of a 3rd party fundraiser, we are committed to ensuring that our own internal practices meet the highest standards.

We continue to be registered with the Fundraising Regulator, whose standards we applaud and work hard to uphold, and have invested significantly this year to ensure that we comply with General Data Protection Regulation (GDPR) legislation which came into force on 23rd May 2018.

Activities and future plans

Slave-Free Alliance

In spring 2018, Hope for Justice launched our business membership initiative, Slave-Free Alliance.

It is for businesses who want to protect and enhance their reputations and improve the quality of the products and services they offer by ensuring the workers providing and producing them are not exploited. Membership also helps employers with meeting their compliance requirements, improving their public image, and acting in an ethical and responsible way towards their workforce.

Hope for Justice is the ideal partner for businesses because of our experience in tackling this issue, having dealt with thousands of cases, giving us exceptional insight into the complexity of supply chain exploitation both globally and in the UK.

As a charity, we have already been working for many years with businesses, from small enterprises to large PLCs, to give them one-to-one support. Slave-Free Alliance takes this to the next level.

All profits made by Slave-Free Alliance will be reinvested into Hope for Justice's charitable anti-slavery projects.

Hope for Justice Africa

In March 2018 we announced that another charity - Retrak- would become 'part of the Hope for Justice family' with shared aims and objectives to tackle modern slavery, thus enabling Hope for Justice to have a presence in Africa for the first time: this initiative we have entitled 'Hope for Justice Africa'

Achievements performance and future plans (Norway)

Training and awareness

Since the spring of 2017 we've employed a trainer on the Norwegian team to engage NGO's and local authorities in trainings. Throughout the year we had over 600 people complete our awareness training. There was especially high engagement from labour unions, teachers and healthcare workers. The labour inspectors that were trained provided feedback to say that they used their knowledge the following week to identify victims of modern slavery. The training sessions were held at the southwest region of Norway (Bergen and Stavanger).

Programme

Following the trainings we experienced an increased amount of tips coming into our office, and had support from the West Midlands hub in the UK to process them. The West Midlands hub also seconded a community outreach worker to Norway for about a month to assist in networking and laying the ground for an increased number of rescues.

Upon identifying a 25 year old Norwegian woman being exploited in prostitution in Stavanger, and supporting her for 5 months, Hope for Justice contributed to the first case in the region with both a Norwegian victim and perpetrator. The woman has reported to the police and is engaging with the criminal investigation.

Several of the tips coming in have been from the eastern part of the country, related to the Oslo region. We are looking at possibilities for associate investigators to be based elsewhere in the country, most likely Oslo.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2018

Norway (cont.)

Awareness

Throughout the year we have developed a good relationship with LO (Norway's largest labour union). On the regional level of Stavanger (southwest) LO have contributed awareness about modern slavery and the work of Hope for Justice. We've also collaborated with For Freedom in Bergen on training professionals and volunteers on how to spot the signs of modern slavery, and on how to deal with victims appropriately. The city of Bergen have also been a partner in the awareness work. We have also been part of several conferences, during the year contributing with keynote sessions, stands and seminars.

Financial report

During 2017/18 Hope for Justice expanded operations, increasing the number of frontline staff delivering services and bolstering the management team to improve governance and oversight.

We are delighted to note that during the year we have seen our income continue to grow, increasing by 14% from £1.8m (2016/17) to £2.1m (2017/18). This is thanks in part to our continued investment in fundraising activities and an increasing awareness of the issue of modern slavery. It is worth noting that recurring donations for 2017/18 constituted 56% of annual income with the majority of our income from private individuals. In addition we have attracted a wider range of major donations and grants from businesses, trusts and foundations.

The generosity and sacrifice made by all our supporters has made a huge difference this year in preventing exploitation, rescuing victims, restoring lives and reforming society. We are truly humbled and so grateful.

Regarding expenditure – A sustained period of investment in programmatic work has seen an increase in spending on charitable activities during 2017/18. Whilst this suppressed what could have been a substantial uplift in retained reserves, our balance sheet remains healthy and we hold reserves which are in line with policy, in order to withstand unforeseen financial shocks without jeopardising charity activities.

The key successes for Hope for Justice in the UK during 2017/18 include:

- 125 investigation cases last year
- 93 rescues last year with 75 directly by our teams and 18 cases assisted by our teams
- 8,805 people received our training

There are no material uncertainties about the charity's ability to continue as a going concern

Reserves

The trustees seek to hold a minimum of 3-6 months expenditure in unrestricted reserves to ensure the work of the charity is sustained and where necessary provide short term funding for new projects. There are no designated or committed funds within unrestricted reserves.

The amount of unrestricted reserves held as at 31 March 2018 was £425,442 representing approximately 3 months of expenditure and in line with our reserves policy.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2018

Structure, governance and management

Hope for Justice is a charitable company limited by guarantee.

The company is established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.

Organisation and structure

The Chief Executive, B Cooley, has day to day responsibility for the running of the charity and is supported by executive committees made up of senior employees which meet monthly. He reports to the trustees at quarterly meetings. In addition to this, the trustees involve themselves in the day to day workings of the charity as necessary: the trustees also receive comprehensive financial information on a monthly basis.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the trustees must retire at the first annual general meeting following appointment and at subsequent annual general meetings one third of trustees must retire according to the longest period served.

Trustees are recruited from those who have an interest in the work of the charity and have skills to benefit the charity's work. All trustees are briefed in the operation of the charity when appointed.

Risk management

The charity has a clearly defined methodology for identifying and reporting risk. The trustees are given regular reports from the executives on the major risks to which the charity is exposed and they have satisfied themselves that systems or procedures are established in order to manage those risks.

Statement of responsibilities of the trustees

The directors (who are also trustees of the charitable activities for the purpose of charity law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with general applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

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

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

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

Insofar as the trustees are aware:

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

This trustees' annual report has been approved by the trustees on 10 September 2018 and signed on their behalf by

P Elson
Chair

Hope for Justice

For the year ended 31 March 2018

Independent auditor's report to the members of Hope for Justice

Opinion

We have audited the financial statements of Hope for Justice for the year ended 31 March 2018, which comprise the group Statement of Financial Activities, the group and parent Charitable Company Balance Sheets and the group and parent Charitable Company Cash Flow Statements and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees 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, the Charitable Company's members as a body, and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed

In our opinion the financial statements:

give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2018 and of the group's 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;

the Charities and Trustee Investment (Scotland) Act 2005; and

comply with regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 as applied to public interest entities, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Hope for Justice

For the year ended 31 March 2018

Opinion on other matters prescribed by the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006

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

the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of trustees' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit; or

the charity has not kept sufficient accounting records; or

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 3), 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.

Hope for Justice

For the year ended 31 March 2018

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Jonathan Russell
Senior Statutory Auditor

Date:

for and on behalf of ReesRussell LLP
Statutory Auditors
37 Market Square
Witney
Oxon
OX28 6RE

ReesRussell LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hope for Justice

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure account)

For the year ended 31 March 2018

	Notes	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
Incoming and endowments from:					
Donations and legacies	2	1,685,108	384,222	2,069,330	1,802,401
Charitable activities	3	45,528	-	45,528	44,325
Other trading activities		-	-	-	-
Investments	4	786	-	786	2,518
Total		<u>1,731,423</u>	<u>384,222</u>	<u>2,115,644</u>	<u>1,849,244</u>
Expenditure on:					
Raising funds		420,004	-	420,004	284,954
Charities objectives	5	1,422,129	384,222	1,806,351	1,534,820
Total		<u>1,842,133</u>	<u>384,222</u>	<u>2,226,356</u>	<u>1,819,774</u>
Net income (expenditure)		(110,710)	-	(110,710)	29,471
Transfers between funds		-	-	-	
Net movement in funds		<u>(110,710)</u>	<u>-</u>	<u>(110,710)</u>	<u>29,471</u>
Reconciliation of funds					
Total funds brought forward		541,430	89,615	631,045	509,020
Prior year adjustment	18	-	-	-	32,722
Restricted funds deferred	16		24,884	24,884	56,892
Exchange differences arising on consolidation		(5,278)	-	(5,278)	2,939
Total funds carried forward		<u>425,441</u>	<u>114,499</u>	<u>539,940</u>	<u>631,044</u>

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

All the activities of the charity are classed as continuing

The notes on pages 14 to 20 form part of these financial statements

Hope for Justice**Balance Sheets**

As at 31 March 2018

	Notes	Group		Charity	
		2018 £	2017 £	2018 £	2017 £
Fixed assets					
Tangible assets	8	44,144	48,271	41,290	44,323
Investments	9	-	-	3,625	3,625
Current assets					
Stock	10	8,036	6,365	7,782	6,104
Debtors	11	164,421	96,995	151,689	87,211
Cash at bank and in hand		556,536	603,915	395,634	439,953
		<u>728,992</u>	<u>707,275</u>	<u>555,104</u>	<u>533,268</u>
Liabilities					
Creditors: Amounts falling due within one year	12	233,197	124,501	233,076	111,125
Net current assets/liabilities		<u>495,796</u>	<u>582,774</u>	<u>322,029</u>	<u>422,143</u>
Total net assets or liabilities		<u><u>539,939</u></u>	<u><u>631,045</u></u>	<u><u>366,943</u></u>	<u><u>470,091</u></u>
The funds of the charity					
Total unrestricted funds		425,441	541,430	252,446	380,475
Total restricted funds		114,499	89,615	114,497	89,615
Total charity funds		<u><u>539,940</u></u>	<u><u>631,045</u></u>	<u><u>366,943</u></u>	<u><u>470,090</u></u>

The financial statements were approved by the board on 10 September 2018 and signed on its behalf by:

P Elson
Director

The notes on pages 14 to 20 form part of these financial statements

Hope for Justice

Consolidated statement of cash flows

For the year ended 31 March 2018

	2018 £	2017 £
Cash flows from operating activities:		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(110,710)	29,472
Adjustments for:		
Depreciation charges	17,935	10,284
Exchange differences on consolidation	(5,278)	2,939
Dividends, interest and rents from investments	786	2,518
(Increase)/decrease in stocks	(1,671)	(1,522)
(Increase)/decrease in debtors	(67,426)	21,067
Increase/(decrease) in creditors	133,580	120,313
Net cash provided by (used by) operating activities	<u>(32,783)</u>	<u>185,071</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	(786)	(2,518)
Proceeds from the sale of property, plant and equipment		
Purchase of property, plant and equipment	(13,808)	(38,979)
Net cash provided by (used in) investing activities	<u>(14,594)</u>	<u>(41,497)</u>
Change in cash and cash equivalents in the reporting period	<u>(47,377)</u>	<u>143,574</u>
Cash and cash equivalents at the beginning of the reporting period	<u>603,915</u>	<u>460,341</u>
Cash and cash equivalents at the end of the reporting period	<u>556,538</u>	<u>603,915</u>
Analysis of cash and cash equivalents	Current year	Prior year
Cash in hand	500	259
Notice deposits (less than 30 days)	481,036	528,657
Notice deposits (more than 30 days)	75,000	75,000
Total cash and cash equivalents	<u>556,536</u>	<u>603,916</u>

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

1.1 Accounting policies

The accounts of the company are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)). They incorporate the results of the principal activity which is described in the directors' report and which is continuing.

1.2 Fund accounting

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

Unrestricted funds - Funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity

Restricted funds - Restricted funds can only be used for particular restricted purposes within the objectives of the charity. These arise when funds are subject to specific restrictive conditions imposed by funders/donors or by the purpose of the grant.

Designated funds - The Directors may at their discretion set aside unrestricted funds for specific purposes.

1.3 Assets policy

a) Fixed assets are included at cost or valuation.

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

Fixtures & fittings	20% on cost
Computer & equipment	25% on cost

1.4 Incoming resources

a) All grants and voluntary income are accounted for gross when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

b) Charitable activities, trading and merchandising income is accounted for when earned. Activity income received in advance is deferred until entitlement to the income has arisen at which time it is credited to the Statement of Financial Activities (SOFA).

c) Gifts in kind are included at valuation. No amounts are included in the financial statements for services donated by volunteers.

d) Restricted income is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Restricted income is matched to the corresponding expenditure in respect of the grant such that income will be recorded in the year in which it is utilised. Where there is no corresponding expenditure in respect of a restricted grant, the unspent balance of income will be deferred into the next accounting period as a restricted reserves balance carried forward.

1.5 Resources expended

a) All expenditure is accounted for on an accruals basis. Irrecoverable VAT is included within the relevant expense of the charity in the year.

b) Grants payable comprise gifts to individuals and charitable organisations with similar objectives.

c) Activities in furtherance of the charity's objectives include the direct costs of staff and property.

d) The trustees consider the management and administration costs of the Charity are not material when taken in the context of amounts spent on charitable activities. All members of staff have been active in fulfilling the objectives of the charity.

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

1.6 Basis of consolidation

The group financial statements consolidate the financial statements of Hope for Justice and its subsidiaries No More Slaves Limited (Company Number 08692709), Hope for Justice International (Company Number 09440540) both dormant throughout this reporting period, and Hope for Justice AS (Registered in Norway registered under Organisasjonsnummer 915 520 995)

Subsidiary undertakings are included using the acquisition method of accounting. Under this method the group net incoming resources include the results of subsidiaries from the date of acquisition and to the date of sale outside the group in case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

A summary of the results of Hope for Justice AS for the year ended 31 March 2018 is as follows:

	2018	2017
	£	£
Income	232,931	281,944
Expenditure	<u>215,614</u>	<u>142,590</u>
Surplus	17,317	139,354
Total funds brought forward	<u>158,016</u>	<u>18,661</u>
Total funds carried forward	<u>175,333</u>	<u>158,015</u>
Assets	210,596	183,440
Liabilities	<u>35,263</u>	<u>25,425</u>
Funds	<u>175,333</u>	<u>158,015</u>

1.7 Investments

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

1.8 Stocks

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

1.9 Governance costs

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

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

2 Donations and legacies	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Unrestricted Funds 2017 £	Restricted Funds 2017 £
Donations and legacies	1,679,460	384,222	1,367,992	432,435
Conference	5,648	-	1,975	-
	<u>1,685,108</u>	<u>384,222</u>	<u>1,369,967</u>	<u>432,435</u>
3 Charitable activities	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Unrestricted Funds 2017 £	Restricted Funds 2017 £
Speaker and trainer fees	35,878	-	32,964	-
Sale of 'awareness' merchandise	9,650	-	11,362	-
	<u>45,528</u>	<u>-</u>	<u>44,325</u>	<u>-</u>
4 Investments	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Unrestricted Funds 2017 £	Restricted Funds 2017 £
Bank interest	786	-	2,518	-
	<u>786</u>	<u>-</u>	<u>2,518</u>	<u>-</u>
5 Charitable objectives	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Unrestricted Funds 2017 £	Restricted Funds 2017 £
Awareness	397,101	71,908	312,336	86,938
Rescue	612,571	230,998	496,050	298,834
Advocacy	191,970	57,635	123,784	45,500
Aftercare	220,487	23,682	164,966	6,411
	<u>1,422,129</u>	<u>384,222</u>	<u>1,097,136</u>	<u>437,684</u>
Analysis of expenditure on charitable activities	Activities undertaken directly £	Support costs £	Total £	
Awareness	396,657	72,352	469,009	
Rescue	683,915	159,653	843,568	
Advocacy	203,803	45,801	249,606	
Aftercare	204,320	39,849	244,169	
	<u>1,488,695</u>	<u>317,657</u>	<u>1,806,351</u>	

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

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

6 Auditors remuneration	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Audit of the financial statements	2,224	2,224	2,224	2,224
<hr/>				
7 Employee benefits			2018 £	2017 £
Salaries and Wages			1,306,716	1,018,504
Social Security costs			132,769	101,576
Employers Pension contributions (defined contribution scheme)			22,566	14,611
			<hr/>	<hr/>
			1,462,051	1,134,691
			<hr/>	<hr/>

Pension contributions are allocated to the activity or fund (restricted or unrestricted) on the basis of the work undertaken by the individual concerned. Allocation of support staff costs are explained in detail in note 5.

Number of employees who received over £60,000 p.a.	2	-
Average number of employees	<hr/>	<hr/>
	49	38

Remuneration paid to the trustees in their capacity as trustees during the year was £nil (2017 - £nil). Employee benefits paid to an enlarged key management team during the year was £267,438 (2017 - £97,942)

8 Tangible fixed assets	Group		
	Fixtures & Fittings £	Computers & Equipment £	Total £
Cost or valuation			
At 1 April 2017	34,857	56,058	90,915
Additions	3,336	10,472	13,808
Disposals	-	(492)	(492)
At 31 March 2018	<hr/>	<hr/>	<hr/>
	38,193	66,038	104,231
Depreciation			
At 1 April 2017	6,817	35,827	42,644
Charge for the year	9,404	8,531	17,935
Disposals	-	(492)	(492)
At 31 March 2018	<hr/>	<hr/>	<hr/>
	16,221	43,866	60,087
Written down value			
At 31 March 2018	<hr/>	<hr/>	<hr/>
	21,972	22,172	44,144
At 31 March 2017	<hr/>	<hr/>	<hr/>
	28,040	20,231	48,271

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

8 Tangible fixed assets cont.	Charity		
	Fixtures & Fittings £	Computers & Equipment £	Total £
Cost or valuation			
At 1 April 2017	33,856	52,448	86,304
Additions	3,336	10,472	13,808
Disposals	-	(492)	(492)
At 31 March 2017	<u>37,192</u>	<u>62,428</u>	<u>99,620</u>
Depreciation			
At 1 April 2017	6,561	35,420	41,981
Charge for the year	9,188	7,654	16,841
Disposals	-	(492)	(492)
At 31 March 2017	<u>15,749</u>	<u>42,581</u>	<u>58,330</u>
Written down value			
At 31 March 2017	21,443	19,846	41,290
At 31 March 2016	27,295	17,028	44,323

9 Investments	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Investment in subsidiaries	-	-	3,625	3,625

Subsidiary undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
No More Slaves Ltd	England & Wales	Ordinary	100%	Dormant
Hope for Justice International	England & Wales	Ordinary	100%	Dormant
Hope for Justice AS	Norway	Ordinary	100%	Advance the education of the public regarding people trafficking and slavery

10 Stock	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Finished goods	8,036	6,365	7,782	6,104

The stock is valued at purchase price.

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

11 Debtors	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	53,329	23,545	53,329	23,545
Other debtors	96,713	31,136	65,981	21,352
Inter-company loan	-	-	18,000	-
Prepayments	12,400	40,335	12,400	40,335
Income Tax Receivable (Gift Aid)	1,979	1,979	1,979	1,979
	164,421	96,995	151,689	87,211

12 Creditors	Group		Charity	
	2018	2017	2018	2017
Amounts falling due within 1 year:	£	£	£	£
Trade creditors	54,197	73,351	52,261	69,727
Other creditors	119,857	7,513	127,447	3,491
Social Security and Other Taxes	38,193	31,349	32,418	25,619
Accruals and deferred income	20,948	12,288	20,949	12,288
Hope for Justice US				
	233,197	124,501	233,076	111,125

13 Transactions with related parties	2018	2017
	£	£
A Gibson Director - Travel and subsistence expenses	430	548

14 Donations from directors

The total amount given to the charity by its directors during the year was £16,160 (2017 - £12,600)

15 Analysis of Group net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
Tangible fixed assets	44,144		44,144	48,273
Current assets	614,494	114,498	728,992	719,324
Current liabilities	(233,197)	-	(233,197)	(136,550)
	425,441	114,498	539,939	631,047

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2018

15 Analysis of Charity net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
Tangible fixed assets	41,290	-	41,290	44,324
Investments	3,625	-	3,625	3,625
Current assets	440,606	114,498	555,104	533,268
Current liabilities	(233,076)	-	(233,076)	(111,125)
	252,445	114,498	366,943	470,092

16 Restricted funds

	B/fwd 01/04/17	Received in year	Utilised in year	C/fwd 31/03/18
Advocacy	10,000	55,000	52,917	12,083
Aftercare	-	35,900	25,900	10,000
Cambodia	-	97,936	44,007	53,929
North East Hub	49,100	100	29,560	19,640
Scotland Hub	15,525	27,000	26,230	16,295
West Midlands Hub	-	164,853	164,853	-
West Yorkshire Hub	4,990	23,775	26,214	2,551
West Yorkshire Anti-trafficking network	10,000	4,540	14,540	-
	89,615	409,105	384,221	114,498

Summary of restricted funds:

Restricted utilised in the year	384,221
Restricted funds deferred	24,883
Total received in year	409,105

17 Operating leases

As at 31 March 2018, the Charity had future commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Land and buildings				
Less than one year	41,810	41,810	34,800	34,800
Between two and five years	34,800	34,800	34,800	34,800
	76,610	76,610	69,600	69,600

18 Prior year adjustment

Unrestricted income in the prior period SOFA was understated as deferred income was taken directly to a creditor within the balance sheet. Adjustments have been made to restate these balances as the funds that they represent. The impact is to increase the net asset position as income streams are recognised through the SOFA; the values associated with the adjustments can be found on the SOFA.