

Company number: 6563365

Charity Number: 1126097

Charity registered in Scotland No: SC045769

Hope for Justice

Report and financial statements

For the year ended 31 March 2022

Hope for Justice

Contents

For the year ended 31 March 2022

Reference and administrative information	1
Trustees' annual report	3
Independent auditors' report	17
Consolidated Statement of financial activities (incorporating income and expenditure)	20
Balance sheets	21
Consolidated statement of cash flows.....	22
Notes to the financial statements	23

Hope for Justice

Reference and administrative information

For the year ended 31 March 2022

Company number 6563365

Charity number 1126097

Registered office Hope for Justice

3rd Floor, the Lexicon
Mount Street
Manchester
M2 5NT

Trustees

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

R Camp * ** *** (Chair)
A Gibson **
N Grant resigned 22 March 2022
T Bentley resigned 7 March 2022
C Almond *
E Ajayi ** ***
S Illingworth * ***
I Pettigrew ***
S Olafsrud appointed 22 March 2022
K Westfall appointed 22 March 2022

- * Member of the Finance Sub-Committee
- ** Member of the Risk and Compliance Sub-Committee
- *** Member of the People and Culture Sub-Committee

Hope for Justice

Reference and administrative information

For the year ended 31 March 2022

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

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

The trustees of Hope for Justice present their report and audited financial statements of the charitable company and its subsidiary companies for the year ended 31 March 2022 which, together, form the Hope For Justice Group.

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

Hope for Justice – UK
Slave-Free Alliance Ltd – UK
No More Slaves Ltd UK (Dormant)
Hope for Justice International – UK (Dormant)
Hope for Justice AS – Norway
Slave Free Alliance AS – Norway
Hope for Justice Inc. – USA (including operations in Cambodia)
Slave Free Alliance Inc – USA
OK200:Stop The Traffic – USA
Lilipad Haven – USA
Retrak – UK (including operations in Africa)
The Tigers Club Project Limited – Uganda
Hope for Justice Australia Limited – Australia
Slave Free Alliance Australia Limited – Australia
Hope for Justice Hong Kong
No More Traffik Limited

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

Objectives and activities

Purposes and aims

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

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

The principal activities are:

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

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

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

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

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

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

- Prevention
- Rescue
- Restoration
- Reformation

Achievements and performance

Working from more than 30 locations across seven countries, Hope for Justice's charitable activities reached just under 200,000 people during 2021–2022. This includes:

- 12,045 people who were victims, potential victims or survivors of human trafficking and modern slavery
- 1,727 children served at our Lighthouse aftercare shelters
- 1,499 children and teenagers reunified with their families or to safe foster care, or supported into independent living
- 19,772 professionals and practitioners trained to spot the signs and respond effectively to human trafficking and modern slavery
- 11,714 people participated in our Self-Help Groups
- 32,823 children benefitted from their caregiver's participation in the Self-Help Groups
- 105 children given legal support to help them see justice done against their abusers
- 105,227 people reached through Child Wellbeing Clubs and events, community conversations, and Child Protection Committees

UK

New locations

Hope for Justice consolidated and expanded our work in the UK during 2021–22, with the launch of our newest Hub, covering the North West region, and with Northern Ireland-based charity No More Traffik joining our organisation. No More Traffik was established in Belfast in 2012 and in its most recent full year of activities, delivered training to over 700

frontline professionals likely to come in contact with victims of modern slavery, as well as general awareness-raising presentations to over 5,500 people in Northern Ireland.

Since launching in April 2021, the North West Hub has been working with the Pan Lancashire Anti-Slavery Partnership, homelessness charities, foodbanks, local councils, and the police to identify modern slavery cases and support victims.

Training

In the UK, 4,907 professionals were trained by Hope for Justice in 2021–22. Among those trained by the team at the new North West Hub are staff and volunteers at foodbanks, soup kitchens and drop-ins supporting people facing hardship, isolation, homelessness, asylum seekers and refugees. We have also delivered training to community safety, neighbourhood and housing officers from local authorities and social housing providers, support workers and NHS staff.

A number of Hope for Justice's training courses became CPD-accredited during 2021–22. This assures professionals and practitioners of the quality of our training and its value to their practice and career development. Trainers with Slave-Free Alliance based in the UK have also been delivering training specifically tailored to businesses so that their employees are able to identify potential victims of modern slavery and also build their organisation's resilience to modern slavery through their procurement and operational practices.

Support for Victims

The British Red Cross, Hope for Justice and the Snowdrop Project have been developing our partnership aimed at helping survivors of modern slavery to rebuild and regain control of their lives. Recognising the need for a more standardised, professional and consistent approach to care for survivors, the three organisations are developing a framework for the accreditation of Independent Modern Slavery Advocates (IMSAs) in the UK.

Work on developing the framework for the IMSA Model has begun with a series of partnership workshops to consider the governance, ethos and values of the IMSA Model and gather insights from the partner organisations' frontline staff. To further develop the model ahead of a full pilot phase, we are running a consultation with workshops and questionnaires from September 2022 to May 2023.

This collaboration is building on the model of independent advocacy for survivors of modern slavery that has been developed by Hope for Justice over the past seven years. By providing advocacy that looks at someone's social needs and legal rights together, IMSAs provide support that is holistic and tailored to the individual, and helps them overcome barriers and navigate complex systems. An independent evaluation of Hope for Justice's IMSA model, carried out by the University of Liverpool, found that the IMSA model provides a tested model for responding to the significant needs and structural disadvantages that survivors of modern slavery encounter, and led to considerably improved outcomes for survivors.

Showing our long-term commitment to survivors of modern slavery, one of our IMSAs supported Janusz (not his real name) in September 2021 to give evidence against members of a gang which had exploited him for two years. This trial was part of a series, starting in 2019, of criminals identified through Operation Fort. Hope for Justice worked closely with West Midlands Police, the National Crime Agency and the Crown Prosecution Service throughout this long-running investigation.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

We are proud of our role in first detecting the trafficking network's activities, then working with police to identify and support scores of survivors to help them in their recovery and to bring those responsible to justice.

Reform

Reform is a process that involves initiating and strengthening legislation, policy, practices, standards, structures, knowledge, beliefs and behaviour. Through training, advocacy and collaboration, we promote best practice, ensuring that knowledge is passed on and can continue to be developed. Highlights and key activities from our Reform team in the UK this year included:

- Responding to Government consultations on Human Rights Act reform and the Victims' Bill
- Feeding into the development of the new Modern Slavery Strategy through the Modern Slavery Strategic Implementation Groups
- Contributing to the consultation on sentencing guidance
- Reviewing the Ministry of Defence's strategy on human security
- Contributing to improving the Homelessness Code of Guidance around modern slavery, and attended a ministerial roundtable on nexus with trafficking and homelessness
- Collaborating with the wider UK anti-slavery sector to respond to the New Plan for Immigration consultation and subsequent Nationality and Borders Act, raising awareness of the implications for survivors of modern slavery, and encouraging supporters to raise concerns with their MPs

Our Policy and Campaigns team also engaged with the United Nations to support international anti-trafficking efforts. This included contributing to the Constructive Dialogue on the Convention against Transnational Organized Crime; and sharing knowledge on holistic, survivor-centred justice approaches at the UN's Commission on Crime Prevention and Criminal Justice, and Intersectional Gender-Focused Prevention Strategies at the Commission on the Status of Women.

Ukraine

Although Hope for Justice does not operate in the Ukraine, when Russia invaded the country, we responded rapidly, conscious of how the conflict would create conditions of instability and lawlessness in which trafficking can thrive. Our open letter to raise awareness of the risk of human trafficking, following the mass displacement of individuals in Ukraine was signed by more than 70 of the world's leading anti-trafficking and human rights organisations.

We partnered with Stop The Traffik and other charities to produce new multilingual resources called 'Ukrainians Welcome – Stay Safe in the UK'. These cover themes like Health, Travel, Legal, Work, Housing, Reporting Concerns, Support, Finances, Family, Children, and General Information. In another instance of collaborative working, we, along with more than 25 charities, wrote to the main mobile network companies, asking them to provide a vital welcome text to Ukrainian refugees arriving in the UK. At the time of publication, Vodafone had already agreed to do this.

Early in the conflict, Hope for Justice published a rapid assessment report setting out the risks of modern slavery for those fleeing the Ukraine crisis, as well as short- and longer-term recommendations to reduce the risks. Based on this research, we were able to present on the increased risk of human trafficking for displaced people from Ukraine at the House of Lords. We have also produced briefing papers on the risks of trafficking related to the Homes for Ukraine scheme.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

USA

Rescue

In 2021, we opened our new Hub in Iowa, covering the wider Midwest region of the USA and staffed by dedicated and experienced investigators with years of experience working with vulnerable people and complex cases. Together, the Iowa team and our first Hub based in Nashville, Tennessee, worked on 79 human trafficking cases during 2021–22 and were involved in the rescue of 23 people. The investigators also focus on ensuring perpetrators are brought to justice. One such perpetrator was a 43-year-old man who forced three women into abuse while filming them for pornographic websites. He is now serving four years in prison after facing 62 human trafficking charges, for which Hope for Justice and law enforcement held him to account.

Training

Alongside full investigations, our Hub teams also do community outreach work (through which we helped 138 individuals this year) and training. In the US, 4,871 people were trained by Hope for Justice in 2021–22. As well as delivering training in-person and remotely, equipping frontline professionals and practitioners to identify and support potential victims of modern slavery, in the US we also launched our Learning Academy online portal. This is the first online portal dedicated to anti-trafficking training, with all content authored by a team of multi-disciplinary experts.

As well as planning to roll out the Learning Academy to other countries where we operate, we will be translating courses into multiple languages, to extend training access to non-English-speaking populations.

Reform

Hope for Justice had a strong focus throughout the year on the Trafficking Victims Prevention and Protection Reauthorization Act (TVPRA). Originally enacted in 2000, the TVPRA is the momentous legislation that first created the U.S. response to human trafficking. It has been reauthorized five times but lapsed in September 2021. Without reauthorization, vital funding for anti-trafficking programs and survivor support would disappear.

Hope for Justice has been working with a number of congressional offices, and encouraging our supporters to engage with their representatives, to ensure the legislation advances. Our co-founder and Global Ambassador, recording artist Natalie Grant, spoke at the event launching the reauthorization legislation into Congress in September 2021.

Ethiopia

Our six Lighthouses in Ethiopia provided support to 1,244 children who had been victims of modern slavery. A further 2,826 were helped in the community through outreach communities and nearly 100,000 were reached through our Child Wellbeing Clubs, community conversations and events.

Poverty is one of the main root causes of human trafficking. So by supporting families to be more financially resilient, we can reduce the risk of exploitation for women and children, who are particularly vulnerable. This is the reasoning behind our Self-Help Groups, which run in Ethiopia and Uganda. The groups empower women with the skills, means and support that they need to carve out their own path to independence and prosperity. They learn small business and financial management skills, and save money as a group. The group then provides loans to its members, to enable them to create

their own small businesses. In Ethiopia, nearly 9,000 women participate in the 452 Self-Help Groups, collectively building their economic, social and emotional strength to resist exploitation.

One of the children rescued by Hope for Justice's street outreach team was Degu (not his real name), who had had to drop out of school at 12 years old in order to make a living for him and his grandmother. A friend got him into farming khat, a local drug, for 20-30 birr (about 40p) a day. On the farm he was physically abused and exploited, until he escaped to Bahir Dar and began to live and work on the street. There, our team from Bright Lighthouse – a safe shelter for children who have faced or are at risk of exploitation – found him and provided him with safe accommodation, food, counselling, and medical care.

Degu had been separated from his parents since the age of 4. But thanks to our family tracing and reunification work, the family were reunited. Degu's mother has received an Income Generating Activity grant from Hope for Justice and basic training in small business skills, which has enabled her to begin selling vegetables for a living. A care plan is also in place for regular follow-up with our team, and Degu has been supported to return to education.

Uganda

In 2021-22, our Lighthouses in Uganda supported nearly 500 children who were victims of trafficking or highly vulnerable to it while 700 other children were supported in the community through outreach activities. We helped 76 child survivors through the criminal justice system to hold their traffickers to account.

One of those survivors was Shannel (not her real name), a 15-year old girl, who was forced into domestic servitude and raped by her employer's brother. Shannel received comprehensive trauma-informed care at one of Hope for Justice's Lighthouses and received legal aid support from Platform for Labour Action. After a series of confidence-building and legal awareness-raising sessions, Shannel was able to provide evidence at the High Court of Uganda, and her rapist will now serve 18 years in prison. Her trafficker has also been fined and forced to pay her the six months' wages she was due.

Over the last year, Shannel has accessed ongoing support from Hope for Justice, including medical care and therapy for depression and anxiety, provided by trained counsellors and a clinical psychologist. Gradually, she has healed physically and emotionally. She became more confident and began to participate in activities. Shannel began providing peer-to-peer counselling, and many children told Hope for Justice that she made a very positive impact on them.

Shannel also successfully completed a life skills course at the Lighthouse, which empowered her with knowledge to keep herself safe and well. Over the last six months, Shannel has been participating in vocational training to become a beautician. She has become a role model to her peers, and looks forward to living on her own after completing her training.

To try to help others through the legal system, in September 2021, we hosted 2-day training for 25 police officers, prosecutors, and judicial officials. The participants gained essential knowledge and skills in identifying victims and collecting evidence; conducting investigations; charging perpetrators with trafficking offences; and referring survivors into support services using trauma-informed methods.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

We have also been working with the Ugandan Government to develop trauma-informed survivor care standards. This work was highlighted in the 2022 Trafficking in Persons (TIP) report from the U.S State Department's Office to Monitor and Combat Trafficking in Persons, in which Uganda was upgraded to a Tier 2 Country.

Cambodia

Hope for Justice moved to a new Lighthouse in Cambodia in March 2022, providing a safe haven for young survivors of human trafficking and modern slavery. The location is a huge improvement upon our former Lighthouse site, which was located in a busy, commercial area. We have increased capacity to house up to 30 girls, ages 0-18, as well as our growing staff team, who have been brought on board to increase the quality of our work and to run the new Stepping Stones project.

The new Lighthouse has three floors, three large rooms for the girls' sleeping quarters, counselling rooms and space for confidential client sessions and family meetings. There are meeting rooms, offices for the team leader and Lighthouse manager, case managers and counsellors, a clinic, and a large recreation space which is used for yoga, dance, relaxation, education, life skills lessons and more. There is also a large classroom and library room, plus a large outside play area and garden space where the girls can play sports and have fun.

Slave-Free Alliance Summary

Slave-Free Alliance, the business-focused social enterprise wholly owned by Hope for Justice, saw a great deal of expansion in 2021-22. In under four years, Slave-Free Alliance has grown to nearly 100 member businesses, including 12 that are current or recent members of the FTSE 100 index. Collectively these businesses, plus Slave-Free Alliance's three largest privately owned clients, have more than 1.2 million employees around the world, with total revenues of £230 billion. Slave-Free Alliance also provides training, consultancy and services to many other businesses and organisations of all sizes, operating in the UK, Norway, Australia and the USA.

During 2021-22, Slave-Free Alliance has been working with a partner to develop a new technology solution known as SC3, which is due to be launched publicly soon. SC3 technology provides integrated services for effective and efficient modern slavery risk management. These automated services provide organisations with the tools and information to take decisive action, including 'Gap Lite' self-assessment; supply chain risk assessment; media scanning; guides, references and briefings; and training videos and resources. SC3 will be a platform for action, helping organisations to protect their operations, supply chain and people from modern slavery through automated analysis and tailored information.

As well as offering direct support to individual businesses and organisations, Slave-Free Alliance also facilitates sector-specific collaborative working groups, Utilities Against Slavery and The Waste & Recycling Modern Slavery Working Group. Shortlisted at the Thomson Reuters' Stop Slavery Awards 2022, Utilities Against Slavery aims to use the power of collaboration to raise the utility sector's resilience to modern slavery and labour exploitation. It consists of more than 25 utility organisations that collectively employ more than 100,000 people, with a supply chain spend in the region of £21bn. In 2021-22, Utilities Against Slavery trained over 500 colleagues and suppliers through a 'Lunch and Learn' series with the Supply Chain Sustainability School; created a suite of KPIs to raise the sector standard, monitor progress and collaborate on

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

challenges; and developed a pre-qualification questionnaire to be used across members' procurement platforms for effective due diligence.

Fundraising

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

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

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

Financial review

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

Income in the year ended 31 March 2022 has increased to £9.01m from last year at £8.08m. We continue to invest in fundraising activities and we measure and review our investments in these activities to ensure that we achieve acceptable returns. As we grow, recurring income becomes a smaller percentage of our income but is still significant, the majority of this from private individuals. In addition, we continue to attract a wide range of major donations on a multi-year basis from businesses, trusts and foundations. The proportion of unrestricted income remains high, giving the trustees the ability to invest in activities, as it deems necessary. In the year to 31 March 2022, unrestricted income represented 67.5%: (2021 65.1%)

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

Expenditure on charitable activities for the year ended 31 March 2022 has increased in the year from £5.23m to £8.23m, in line with our plan of targeting the reserves built up over previous years to fund new areas of activity. A further breakdown of expenditure is presented in note 6 to the accounts.

Expenditure on fund raising activities for the year ended 31 March 2022 increased from £0.81m to £1.59m, as we strengthened and improved our global fund raising team and increased the number of events, especially post COVID.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

Other non-charitable activity costs for the same period increased from £566k to £614k and this is all relating to Slave Free Alliance as below.

The result is a deficit for the year of £1.36m (2021: £1.43m surplus) after exchange differences upon consolidation and a decrease in retained reserves, to £2.96m (2021: £4.32m). The split of these reserves is: General £1.16m (2021:£1.61m), designated £0.86m (2021:£1.31m), and restricted £0.94m (2021:£1.4m).

Slave-Free Alliance, Hope for Justice's social enterprise, continues to expand grow its customer base. In the year the company made a profit before tax of £146k (2021: £15k). Our focus continues to on developing new sales to deliver profitability in the medium term. Slave Free Alliance continues as a primary purpose subsidiary and will gift aid any future profits to Hope for Justice.

Reserves policy and going concern

Hope for Justice has an approved reserves policy, for retaining a level of readily accessible funds within its unrestricted reserves to mitigate financial and operation risks, ensuring that the work of the charity is sustained with minimal disruption and where necessary to provide short term funding for new projects. The reserves policy is set out in note 18 and our remaining general reserve of £1.16m is approximately sufficient for 2.75 months of committed unrestricted expenditure.

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

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

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

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

As stated in note 1.2 Going Concern, at 31 March 2022, the group had net assets of £2.96m, which is sufficient for approximately three months of activity at historic levels.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

As a charity, The Charity is always reliant on donations received, and so there are always uncertainties over the income streams available. Post year end into the year ended 31 March 2023, The Charity's financial position has been adversely affected by a number of factors:

- The instability caused by the war in Ukraine, creating pressure on global prices ranging from 10% to 35% inflation in our countries of operation
- This together with domestic governmental instability has created a 10–15% devaluation in GBP £, our reporting currency, against currencies in our countries of operation, creating additional costs, especially where we received GBP but expenses are in other currencies
- A post pandemic fall in regular donations as our donors also feel the above effects, as has been seen within the charitable sector as a whole
- Cancellation/postponement of fundraising events due to reducing desire of supporters
- Issues with recruiting and retaining fund raising staff resulting in lower than planned revenues

However, the Trustees are of the view that the results for the year to 31 March 2023 will show an underlying cash balance, but that reserves are forecast to be circa £1.3m, but which is below the stated policy. The approved budget for the year to 31 March 2024, shows a continuation on the improvement of reserves with a balance at 31 March 2024 being forecast at circa £2.5m.

The Charity has no borrowing facility and meets its day-to-day working capital requirements through careful cash flow management and a mix (as shown in the financial statements) of secured multiyear grants as well as a mix of regular and one off donations from a range of individuals, Trusts & Foundations and Institutions.

Post year end, a number of actions have been taken to reduce the cost base which The Charity will benefit from going forwards. In addition a restructured focus on fundraising activities will help strengthen and improve income streams. Having assessed the circumstances the Trustees have determined there is a degree of uncertainty to raise all the income required to meet all its proposed expenditure. However, despite the material uncertainties that exist over income, they believe it is appropriate to prepare the financial statements on a going concern basis, as there are mitigating actions that have been taken to reduce the cost base and cash flow requirements, but also have available further actions should income not materialise. These mitigations include:

- Changes in timing of events to improve cash flow
- Changes to programme activity, not impacting restricted funding
- Changes to fundamental programme strategy
- Changes in non-programme staffing
- Changes to non-programme running costs
- Changes to other non-charitable activity, delaying investment in growth plans
- Accessing short term funding to alleviate short term cash requirements

The financial statements are therefore prepared on a going concern basis.

COVID-19

The impact of the global pandemic has not impacted the financial statements for the year ended 31 March 2022 and no revision of any estimates or valuations has been required. Travel by all staff within and between countries had been impacted but gradual relaxation of restrictions has meant that travel and operations have returned to a new normal level. However, we have continued to utilise new technologies to help reduce costs where possible.

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

We continue to review our cost base and ensure that costs are at an appropriate level.

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

Group is continually being reviewed by the Executive team and ensures that opportunities for growth are managed, as is the effectiveness and cost base of programmes in the light of potential reduced income.

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

The main risks to be managed in the year ahead:

Global instability and inflation. The ongoing war in Ukraine has caused many issues over and above the direct impact on the people of Ukraine and the refugees it has created. Together with various countries own domestic conditions and the increase in gas prices, due to the ongoing war, we are seeing inflation rise dramatically across the globe. This is having an impact on our own cost base as well as the disposable income of many donors. The strategy of the Group is continually being reviewed by the Executive team and ensures that opportunities for growth are managed, as is the effectiveness and cost base of programmes in the light of potential reduced income.

Income generation. As noted above there are material uncertainties around income and the various streams from which we derive that income. The Charity is investing in its development team and income generation strategy, as well as its reporting and forecasting for each income line. This investment will strengthen the income raising ability, especially in the US and the reporting & forecasting will allow early warnings, so that mitigating actions can be implemented as soon as required.

Currency valuations. Affecting both the above risks is currency stability, which could affect reported income or costs (positively or negatively). As our reach grows and our programmes develop we have potential impact of our reporting currency's valuation against currencies where we have operations, especially where income and costs are in different currencies. Cash balances are held in the main in major currencies (GBP & USD) and remitted in cash to operations as cash requirements demand. However, during 2022, the GBP was adversely affected against most currencies.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent

Hope for Justice

Trustees' annual report

For the year ended 31 March 2022

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

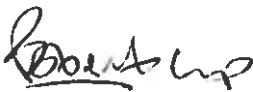
Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Auditors

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

The trustees' annual report has been approved by the trustees on 24 February 2023 and signed on their behalf by



R. Camp
Chair

Independent auditors' report

To the members of Hope for Justice

Opinion

We have audited the financial statements of Hope for Justice ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 1.2 in the financial statements, which indicates that the group has experienced a shortfall in income since the balance sheet date and as a result may not be able to meet its liabilities as they fall due over the foreseeable future. Mitigating actions are being taken to reduce the cost base of the group and increase or accelerate donations and other income. As stated in Note 1.2, these events or conditions, along with other matters as set forth in Note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Independent auditors' report

To the members of Hope for Justice

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate

Independent auditors' report

To the members of Hope for Justice

or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation, employment legislation and Health & Safety legislation. We also considered compliance with local legislation for the group's overseas operating segments.

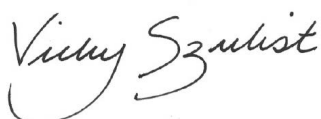
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions, we have formed.



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

Date 28th February 2023

Hope for Justice

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

For the year ended 31 March 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Incoming and endowments from:					
Donations and legacies	2	5,324,389	2,922,394	8,246,783	7,375,105
Charitable activities	3	8,643	–	8,643	29,575
Other trading activities	4	742,717	–	742,717	675,535
Income from investments	5	8,113	–	8,113	1,145
Total		6,083,862	2,922,394	9,006,256	8,081,360
Expenditure on:					
Raising funds		1,592,547	–	1,592,547	811,895
Charitable activities	6	4,908,099	3,318,494	8,226,593	5,230,044
Other trading costs		614,045	–	614,045	566,193
Total		7,114,691	3,318,484	10,433,185	6,608,132
Net (expenditure)/income		(1,030,829)	(396,100)	(1,426,929)	1,473,228
Transfers between funds		59,052	(59,052)	–	–
Exchange differences arising on consolidation		67,544	–	67,544	(42,497)
Net movement in funds for the period		(904,233)	(455,152)	(1,359,385)	1,430,731
Reconciliation of funds					
Total funds brought forward		2,925,504	1,397,721	4,323,225	2,892,494
Total funds carried forward		2,021,271	942,569	2,963,840	4,323,225

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

All the activities of the charity are classed as continuing

The notes on pages 23 to 38 form part of these financial statements

Balance Sheets

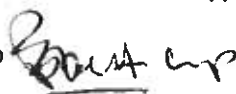
For the year ended 31 March 2022

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	9	470,782	171,730	190,049	35,973
Investments	10	102,543	102,543	6,173	3,625
		<u>573,325</u>	<u>274,273</u>	<u>196,222</u>	<u>39,598</u>
Current assets					
Stock	11	32,939	22,021	-	-
Debtors	12	422,341	271,120	309,249	359,734
Cash at bank and in hand		2,688,837	4,286,308	694,046	2,076,254
		<u>3,144,117</u>	<u>4,579,449</u>	<u>1,003,295</u>	<u>2,435,988</u>
Liabilities					
Creditors: Amounts falling due within one year	13	753,602	530,497	260,568	686,213
Net current assets		<u>2,390,515</u>	<u>4,048,952</u>	<u>742,727</u>	<u>1,749,775</u>
Total net assets		<u><u>2,963,840</u></u>	<u><u>4,323,225</u></u>	<u><u>938,949</u></u>	<u><u>1,789,373</u></u>
The funds of the charity					
Total general funds	18	1,155,976	1,610,461	575,548	1,225,207
Total designated funds	18	865,295	1,315,043	-	-
Total restricted funds	18	942,569	1,397,721	363,401	564,166
Total charity funds	18	<u><u>2,963,840</u></u>	<u><u>4,323,225</u></u>	<u><u>938,949</u></u>	<u><u>1,789,373</u></u>

As permitted by s408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes as it prepares group accounts. The charity's deficit and total comprehensive loss for the year was £850,424 (2021 - gain of £280,678)

The financial statements were approved by the board on 24 February 2023 and signed on its behalf by:

R Camp
Chair



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

Hope for Justice

Consolidated statement of cash flows

For the year ended 31 March 2022

	2022	2021
	£	£
Cash flows from operating activities:		
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,426,929)	1,473,228
Adjustments for:		
Depreciation charges	74,848	61,844
Exchange differences on consolidation	67,544	(42,497)
Dividends, interest and rents from investments	(8,113)	(1,145)
(Increase)/decrease in stocks	(10,918)	8,728
(Increase)/decrease in debtors	(151,219)	121,753
Increase in creditors	223,105	160,864
Net cash provided by operating activities	(1,231,682)	1,782,775
Cash flows from investing activities:		
Dividends, interest and rents from investments	8,113	1,145
Purchase of property, plant and equipment	(373,902)	(68,269)
Net cash used in investing activities	(365,789)	(64,124)
Change in cash and cash equivalents in the reporting period	(1,597,471)	1,718,651
Cash and cash equivalents at the beginning of the reporting period	4,286,308	2,567,657
Cash and cash equivalents at the end of the reporting period	2,688,837	4,286,308
Analysis of cash and cash equivalents	2022	2021
	£	£
Cash in hand	8,569	12,468
Notice deposits (less than 30 days)	2,605,268	4,198,840
Notice deposits (more than 30 days)	75,000	75,000
Total cash and cash equivalents	2,688,837	4,286,308

Notes to the financial statements

For the year ended 31 March 2022

1.1 Accounting policies

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

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

1.2 Going Concern

At 31 March 2022, the group had net assets of £2.96m, which is sufficient for three months of activity at historic levels.

Hope for Justice sets out its future development, performance and financial position in the Trustees Report on pages 3 to 16.

As a charity, The Charity is always reliant on donations received, and so there are always uncertainties over the income streams available. Post year end into the year ended 31 March 2023, The Charity's financial position has been adversely affected by a number of factors:

- The instability caused by the war in Ukraine, creating pressure on global prices ranging from 10% to 35% inflation in our countries of operation
- This together with domestic governmental instability has created a 10–15% devaluation in GBP £, our reporting currency, against currencies in our countries of operation, creating additional costs, especially where we received GBP but expenses are in other currencies
- A post pandemic fall in regular donations as our donors also feel the above effects
- Cancellation/postponement of fundraising events due to reducing desire of supporters
- Issues with recruiting and retaining fund raising staff resulting in lower than planned revenues

However, the Trustees are of the view that the results for the year to 31 March 2023 will show an underlying cash balance, but that reserves are forecast to be circa £1.3m, but which is below the stated policy. The approved budget for the year to 31 March 2024, shows a continuation on the improvement of reserves with a balance at 31 March 2024 being forecast at circa £2.5m.

The Charity has no borrowing facility and meets its day-to-day working capital requirements through careful cash flow management and a mix (as shown in the financial statements) of secured multiyear grants as well as a mix of regular and one off donations from a range of individuals, Trusts & Foundations and Institutions.

Post year end, a number of actions have been taken to reduce the cost base which The Charity will benefit from going forwards. In addition a restructured focus on fundraising activities will help strengthen and improve income streams. Having assessed the circumstances the Trustees have determined there is a degree of uncertainty to raise all the income required to meet all its proposed expenditure. However, despite the material uncertainties that exist over income, they believe it is appropriate to prepare the financial statements on a going concern basis, as there are mitigating actions that can be taken to quickly reduce the cost base should income not materialise.

The financial statements are therefore prepared on a going concern basis.

1.3 Judgements and key sources of estimation uncertainty

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

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

Notes to the financial statements

For the year ended 31 March 2022

Impairment of non-current assets

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

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

1.4 Fund accounting

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

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

1.5 Assets policy

a) Fixed assets are included at cost or valuation.

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

Freehold Property	5% straight line
Motor Vehicles	25% straight line
Fixtures & fittings	20% – 33% straight line
Computer & equipment	25% – 33% straight line

1.6 Incoming resources

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

1.7 Resources expended

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

Notes to the financial statements

For the year ended 31 March 2022

1.8 Basis of consolidation

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

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

1.9 Investments

Fixed asset investments are stated at fair value.

1.10 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.

1.11 Governance costs

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

2 Donations and legacies

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Donations and legacies	5,324,389	2,922,394	8,246,783
	<u>5,324,389</u>	<u>2,922,394</u>	<u>8,246,783</u>

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

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

3 Charitable activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Speaker and trainer fees	9,404	–	9,404
Sale of 'awareness' merchandise	(761)	–	(761)
	<u>8,643</u>	<u>–</u>	<u>8,643</u>

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

4 Other trading activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Slave Free Alliance	742,717	–	742,717
	<u>742,717</u>	<u>–</u>	<u>742,717</u>

Slave Free Alliance includes income from wholly owned subsidiaries, Slave Free Alliance Limited (£709,024), Slave Free Alliance Inc, (£13,948) and Slave Free Alliance Australia Limited (£19,745).

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

Notes to the financial statements

For the year ended 31 March 2022

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

5	Income from investments	Unrestricted	Restricted	Total
		Funds	Funds	
		2022	2022	2022
		£	£	£
	Bank interest & Other Income	8,113	-	8,113
		<u>8,113</u>	<u>-</u>	<u>8,113</u>

	Income from investments	Unrestricted	Restricted	Total
		Funds	Funds	
		2021	2021	2021
		£	£	£
	Bank interest & Other Income	1,145	-	1,145
		<u>1,145</u>	<u>-</u>	<u>1,145</u>

6 Analysis of expenditure on charitable activities

	Activities	Support	Total	
	undertaken	costs		
		2022	2022	
		£	£	
Prevent	1,998,364	306,233	2,304,597	
Rescue	2,533,136	388,183	2,921,319	
Restore / Reform	2,601,949	398,728	3,000,677	
		<u>7,133,449</u>	<u>1,093,144</u>	<u>8,226,593</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 financial statements

For the year ended 31 March 2022

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

7	Auditor's Remuneration	2022 £	2021 £
	Fees payable to The Charity's auditor for the audit of The Charity's annual accounts	15,000	10,300
	Fees payable to The Charity's auditor and its associates for other services		
	Audit of accounts of subsidiaries	9,950	9,045
	Tax compliance services	975	400
	Total audit fees	<u>25,925</u>	<u>19,745</u>

8	Employee Benefits	2022 £	2021 £
	Salaries and Wages	5,146,887	3,512,983
	Social Security costs	450,412	332,895
	Employers Pension contributions (defined contribution scheme)	92,913	99,069
		<u>5,690,212</u>	<u>3,944,947</u>
	Average number employed during the year	<u>384</u>	<u>355</u>

The increase in the average pay per employee can be explained for a number of reasons. There was an increase for all staff from 1 April 2022 as part of a cost of living increase, which differed in each country. In addition other mid-year rises were given, such as 24% in Ethiopia, as inflation was significant during the year. There has been significant turnover of staff, especially in the Global North, and to recruit or retain staff, certain roles have had significant rises, which inflate the average during the year. This has been significant in the US and UK, greater than in other countries and again the average role affects the overall average. The reduction in Employers Pension costs, reflects the turnover of staff and new staff are only eligible for pension contribution after three months.

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

Notes to the financial statements

For the year ended 31 March 2022

Number of employees who received £60,000–£69,999 p.a.	1	2
Number of employees who received £70,000–£79,999 p.a.	2	2
Number of employees who received £80,000–£89,999 p.a.	–	–
Number of employees who received £90,000–£99,999 p.a.	1	2
Number of employees who received £100,000–£109,999 p.a.	2	0

Remuneration paid to the trustees in their capacity as trustees during the year was £nil (2021 – £nil). Employee benefits paid to an increased management team during the year was £564,081 (2021 – £514,845)

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

Chief Executive Officer

Chief Financial Officer

International Operations Director

International Development Director

International Programme Director

Head of Digital & Communications

Chief Strategy Officer

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

9 Tangible Fixed Assets

	Group			Total £
	Freehold Property £	Fixtures, fittings and equipment £	Motor Vehicles £	
Cost or valuation				
At 1 April 2021	49,503	360,183	173,455	583,141
Additions in year	3,355	301,790	68,756	373,901
Disposals in year	-	(88,747)	-	(88,747)
At 31 March 2022	<u>52,858</u>	<u>573,226</u>	<u>242,211</u>	<u>868,295</u>
Depreciation				
At 1 April 2021	28,100	263,060	120,252	411,412
Charge for the year	1,824	61,308	11,716	74,848
Disposals in year	-	(88,747)	-	(88,747)
At 31 March 2022	<u>29,924</u>	<u>235,621</u>	<u>131,968</u>	<u>397,513</u>
Net book value				
At 31 March 2022	<u>22,934</u>	<u>337,605</u>	<u>110,243</u>	<u>470,782</u>
At 31 March 2021	<u>21,403</u>	<u>97,124</u>	<u>53,203</u>	<u>171,730</u>
Charity				
	Fixtures and fittings	Computers and equipment £	Total £	
Cost or valuation				
At 1 April 2021	37,156	109,401	146,557	
Additions in year	136,256	61,988	198,244	
Disposals in year	(37,103)	(51,644)	(88,747)	
At 31 March 2022	<u>136,309</u>	<u>119,745</u>	<u>256,054</u>	
Depreciation				
At 1 April 2021	35,418	75,166	110,584	
Charge for the year	25,854	18,314	44,168	
Disposals in year	(37,103)	(51,644)	(88,747)	
At 31 March 2022	<u>24,169</u>	<u>41,836</u>	<u>66,005</u>	
Net book value				
At 31 March 2022	<u>112,140</u>	<u>77,909</u>	<u>190,049</u>	
At 31 March 2021	<u>1,738</u>	<u>34,235</u>	<u>35,973</u>	

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

10 Investments	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Land held at fair value	102,543	102,543	-	-
Investment in subsidiaries	-	-	6,173	3,625

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

Details of the company's subsidiaries at 31 March 2022 are as follows:

Subsidiary Undertaking	Country of Incorporation	Registered Number	Holding	Proportion of voting rights and shares held	Principal activity
No More Slaves Ltd	England & Wales	08692709	Ordinary	100%	Dormant
Hope for Justice International	England & Wales	09440540	Ordinary	100%	Dormant
Slave Free Alliance Ltd	England & Wales	11258651	Ordinary	100%	A social offering businesses a range of services to help them identify and remove human exploitation from their supply chains. The services include awareness training, gap analysis, due diligence, risk management and help with investigations, crisis response, remediation and Slavery and Human Trafficking Statements.
Hope for Justice AS	Norway	915 520 995	Ordinary	100%	Advance the education of the public regarding people trafficking and slavery
Slave Free Alliance AS	Norway	828 987 682	Ordinary	100%	Aligned with Slave Free Alliance
Hope for Justice (Australia) Limited	Australia	ABN 28 639 382 782	Ordinary	100%	Advance the education of the public regarding people trafficking and slavery
Slave Free Alliance (Australia) Limited	Australia	ABN 17 639 408 647	Ordinary	100%	Aligned with Slave Free Alliance
No More Traffik Limited	Northern Ireland	NI614396	Ordinary	100%	Dormant
Hope for Justice (Hong Kong) Limited	Hong Kong	2904727	Ordinary	100%	Dormant

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

Subsidiary Undertaking	Country of Incorporation	Registered Number	Basis of consolidation	Principal activity
Retrak	England & Wales	6424507	Unified Management Control	Aligned with Hope for Justice
Hope For Justice Inc.	Tennessee, USA	75-3179471	Unified Management Control	Aligned with Hope for Justice
Slave Free Alliance Inc.	Delaware, USA	87-2097945	Unified Management Control	Aligned with Slave Free Alliance
OK200:Stop The Traffic	Iowa, USA	46-4678820	Unified Management Control	Aligned with Hope for Justice
Lily Pad Haven Inc.	North Carolina, USA	45-3036117	Unified Management Control	Aligned with Hope for Justice
The Tigers Club Project Limited	Uganda		Unified Management Control	Hold title to land in Uganda that is used with the charitable operations of Retrak's branch in Uganda

Subsidiary Undertaking	Retrak	Hope for Justice Inc.	Hope for Justice AS	Slave Free Alliance Limited	Slave Free Alliance AS	Slave Free Alliance Inc.
	£	£	£	£	£	£
Assets at 31/3/22	645,687	904,255	479,660	359,781	4,170	23,624
Liabilities at 31/3/22	(312,853)	(79,502)	(64,593)	(337,954)	(15,259)	(21,751)
Net Funds at 31/3/22	332,834	824,753	415,067	21,827	(11,089)	1,873
Income for Year to 31/3/22	2,469,025	2,948,368	442,110	709,024	-	13,949
Expenditure for Year to 31/3/22	3,215,882	3,102,266	402,619	562,873	13,753	12,076
Surplus/(deficit) for Year to 31/3/22	(746,857)	(153,898)	39,491	146,151	(13,753)	1,873

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

Subsidiary Undertaking	OK200 – Stop the Traffic Inc.	Lili Pad Haven Inc.	Hope for Justice (Australia)	Slave Free Alliance (Australia)	The Tigers Club Project Limited	Other Entities
	£	£	£	£	£	£
Assets at 31/3/22	57,807	237,415	947	44,785	102,543	1,404
Liabilities at 31/3/22	-	(37,238)	(12,152)	(1,983)	-	(3,762)
Net Funds at 31/3/22	57,807	200,177	(11,205)	42,802	102,543	(2,358)
Income for Year to 31/3/22	85,761	75,194	56,627	19,745	-	13,438
Expenditure for Year to 31/3/22	43,628	49,505	68,731	491	-	15,799
Surplus/(deficit) for Year to 31/3/22	42,133	25,689	(12,103)	19,254	-	(2,361)

11 Stock	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Finished goods	32,939	22,021	-	-

The stock is valued at purchase price.

12 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	231,652	203,625	6,587	21,276
Amounts due from Group Companies	-	-	232,835	298,944
Other debtors	104,363	42,749	45,686	22,079
Prepayments	86,326	24,746	24,141	17,435
	422,341	271,120	309,249	359,734

Amounts due from Group Companies includes the following amounts owed by subsidiary companies : £134,129 by Slave Free Alliance (2021:£247,568), £10,827 by Hope for Justice Inc. (2021:£nil), £13,729 by Hope for Justice AS (2021:£17,091), £482 by Slave Free Alliance AS (2021:£nil), £56,324 (2021:£34,285) by Hope for Justice Australia, £16,354 (2021:£nil) by Slave Free Alliance Australia and £991 (2021:£nil).

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

13 Creditors	Group		Charity	
	2022	2021	2022	2021
Amounts falling due within 1 year:	£	£	£	£
Trade creditors	107,478	42,076	88,254	35,824
Amounts due to Group Companies	-	-	-	380,451
Other creditors	215,402	223,591	50,707	152,377
Social Security and Other Taxes	200,184	150,052	79,242	64,871
Accruals and deferred income	230,538	114,778	42,365	52,688
	753,602	530,497	260,568	686,211

Amounts due to Group Companies includes £nil owed to Hope for Justice Inc. an affiliated company incorporated in US (2021: £227,458) and £nil owed to Retrak (2021: £152,993)

14 Transactions with related parties

During the year, there were no travel and subsistence payments to Directors (2021 : £nil)

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

15 Donations from directors

The total amount given to the charity by its trustees during the year was £5,954 (2021 - £13,050)

16 Analysis of Group net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Tangible fixed assets	470,782	-	470,782
Investments	102,543	-	102,543
Current assets	2,201,548	942,569	3,144,117
Current liabilities	(753,602)	-	(753,602)
	2,021,271	942,569	2,963,840

Analysis of Group net assets by fund

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

Analysis of Charity net assets by fund

17

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Tangible fixed assets	190,049	-	190,049
Investments	6,173	-	6,173
Current assets	639,894	363,401	1,003,295
Current liabilities	(260,568)	-	(260,568)
	575,548	363,401	938,949

Analysis of Charity net assets by fund

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

Hope for Justice

Notes to the financial statements

For the year ended 31 March 2022

18 Analysis of Group Funds

	B/fwd 01/04/21	Received in year	Utilised in year	Transfer in funds	C/fwd 31/03/22
	£	£	£	£	£
Prevent	515,746	914,055	(1,152,465)	(12,931)	264,406
Rescue	700,900	926,207	(926,145)	(62,780)	638,181
Restore / Reform	181,075	1,082,132	(1,239,884)	16,659	39,982
Restricted Funds	1,397,721	2,922,394	(3,318,494)	(59,052)	942,569
General Fund	1,610,461	6,083,862	(6,219,147)	(319,200)	1,155,976
Designated Funds					
Fixed asset	275,071		0	298,252	573,323
Building & equipment	91,972		0	0	91,972
Facilities	150,000		(100,000)	50,000	100,000
Strategic plan	628,000		(628,000)	0	0
Capital	170,000		(100,000)	30,000	100,000
	1,315,043		(828,000)	378,252	865,295
Unrestricted Funds	2,925,504	6,083,862	(7,047,147)	59,052	2,021,271
Total Funds	4,323,225	9,006,256	(10,365,641)	-	2,963,840
	B/fwd 01/04/20	Received in year	Utilised in year	Transfer in funds	C/fwd 31/03/21
	£	£	£	£	£
Prevent	175,906	817,450	(477,382)	(228)	515,746
Rescue	525,754	941,551	(765,547)	(858)	700,900
Restore / Reform	197,571	1,057,862	(1,073,955)	(403)	181,075
Restricted Funds	899,231	2,816,863	(2,316,884)	(1,489)	1,397,721
General Fund	1,993,263	5,264,497	(4,333,745)	(1,313,554)	1,610,461
Designated Funds					
Fixed asset				275,071	275,071
Building & equipment				91,972	91,972
Facilities				150,000	150,000
Strategic plan				628,000	628,000
Capital				170,000	170,000
	-	-	-	1,315,043	1,315,043
Unrestricted Funds	1,993,263	5,264,497	(4,333,745)	1,489	2,925,504
Total Funds	2,892,494	8,081,360	(6,650,629)	-	4,323,225

Purposes of restricted funds

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

Designated Funds

The trustees recognise the importance of establishing a reserves policy in line with the Charity Commission's CCI9 Charity Reserves: building resilience

The Charity will keep under regular review the level of its reserves and its reserves policy and will review this policy at least annually. The Charity will continue to run its finances in an efficient and cost effective manner with the objective of maintaining a balanced budget and to get the maximum value from Charity expenditures. However, the Charity recognises that there are inherent uncertainties in the budgeting process and that prudent financial management may require the maintenance of unrestricted reserves in certain circumstances. The policy is a group wide policy and is applied to total reserves and is not split by geography or legal entity. The Charity has identified through a risk review process that it may have to hold reserves for designated purposes. The level of each designated reserve is reviewed on an annual basis.

Designated Fixed Assets Reserve

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

Designated Emergency Buildings and Equipment Reserve

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

Designated Facilities Reserve

The Board is committed to assuring the Charity's long-term physical health and so in addition to providing short-term emergency reserves for emergency repairs above, it has established a long-term Facilities Reserve to help provide funds for potential capital expenditure on expansion projects as the Charity grows. The Charity has set a range of 20-50% of annual property, equipment & repair costs for this reserve but should reflect the planned growth strategy of the Charity both in existing countries to accommodate increased staffing but also expansion into new areas or countries. However, there is no current plan to grow, as the charity seeks to improve its overall reserves position.

Designated Strategic Plan Reserve

This reserve recognises that current operating income may not be available to explore new strategic opportunities involving new projects or programs in countries where the Charity already operates or in new parts of the world. This reserve may also be required to help fund the closure of existing projects or programs that no longer meet the goals of the Charity. The quantum of this reserve will be determined by specific items within the Charity's strategic plans for growth and expansion. The Charity expects that this items in this reserve to be utilised within 2-3 years of its creation. Due to the current drain on reserves, the Charity does not feel it is prudent to designate such a reserve at this time.

Designated Capital Reserve

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

Notes to the financial statements

For the year ended 31 March 2022

General Reserves

The Board reviews the financial risks facing the Charity and the financial needs of the Charity on a regular basis and in response create reserves to offset these risks and/or meet the needs. The Charity needs to ensure that it has sufficient general reserves to meet its immediate liabilities and commitments, such as staff salaries, rents and other committed expenditure, not covered by specific funding with restricted reserves. The stated policy is to have three months to six months cover. This was 2.75 months at 31 March 2022 (2021: 4.5 months). This is less than the three months in our policy and as stated in note 1.2 Going Concern, the level reduced during the year to 31 March 2023. Plans have been put in place to reduce costs, as well as target income generation and to get reserves back up to the stated policy level

19 Operating leases

As at 31 March 2022, the Charity had future commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Land and buildings				
Less than one year	273,433	195,842	96,563	66,992
Between two and five years	428,874	77,489	168,985	-
	702,307	273,331	265,548	66,992

20. Reconciliation of net debt

	At 1 April 2021	Cash flows	Other changes	At 31 March 2022
	£	£	£	£
Cash at bank and in hand	4,286,308	(1,739,863)	142,392	2,688,837
Total cash and cash equivalents	4,286,308	(1,739,963)	142,392	2,688,837

21. Post Balance Sheet Events

There are no Post Balance sheet events to disclose