

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 2017

Hope for Justice

For the year ended 31 March 2017

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Hope for Justice

For the year ended 31 March 2017

Company information

Company number	6563365
England and Wales charity number	1126097
Charity registered in Scotland	SC045769
Directors	P Elson (Chair) C Dacre P Davis A Gibson (Appointed 26 June 2016) N Grant G Henderson (Appointed 16 September 2016) W Taylor (Appointed 15 April 2016) M Warner M White (Resigned 16 September 2016) Rev R White (Resigned 16 September 2016)
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

Directors' report

For the year ended 31 March 2017

Report of the Directors

The Directors present their report and financial statements for the year ended 31 March 2017.

Status

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.

Directors' responsibilities

The directors (who are also trustees of the charitable activities for the purpose of charity law) are responsible for preparing the Directors' 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 directors 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 directors 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 business.

The directors 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 directors 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.

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: our mission begins with "Rescue".
- 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: we refer to this as "Restoration"
- 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: we see this also as part of the clients' "Restoration" process.
- d. to train corporate senior managers and frontline professionals such as the police, social services, housing providers and outreach programmes to identify victims and/or work appropriately with them, this in many instances initiates the "Rescue" process.

Organisation and structure

The Chief Executive, B Cooley, has day to day responsibility for the running of the charity and is supported by an executive committee made up of senior employees including the Chief Operating and Finance Officer; Development Director and Programme Director: the executive committee meets monthly. The Chief Executive reports in writing to the charity's directors each month and provides detailed updates at quarterly meetings. In addition to this, the charity's directors involve themselves in the day to day workings of the charity as necessary: the charity's directors also receive comprehensive financial information on a monthly basis.

Hope for Justice

Directors' report

For the year ended 31 March 2017

Recruitment and appointment of directors

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.

Directors are recruited from those who have an interest in the work of the charity and have skills to benefit the charity's work. All directors 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 directors 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.

Activities, 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.

Training

Hope for Justice trains frontline professionals including the police, social services and homeless shelter staff to spot the signs of modern day slavery. Our training and resources are delivered to professionals who are most likely to come into contact with victims of human trafficking, often without even realising it. Participants learn how to identify victims and to understand the circumstances that stop people coming forward for help.

Our training works, and potential victims are referred to us on a regular basis by people who have attended our courses. We use the information they provide to identify and rescue further victims and to play our part in disrupting criminal networks. In this financial year we trained 4,584 people - even more than last year. We rescued 109 victims as a result of referrals made by individuals and agencies we have trained to identify human trafficking.

It is common for victims of modern slavery to have bank accounts opened in their name by traffickers, to be used for money laundering, loans or benefit fraud. Post-rescue, this fraudulent activity can continue to haunt survivors, preventing them opening new bank accounts – which in turn stops them getting legitimate work. Our UK Advocacy team have been working with the fraud department of Lloyds Banking Group to mitigate this. Bank staff are now trained to ensure a victim's exploitation does not prevent them opening a new account. Already, survivors we support have finally been able to open authentic bank accounts and re-enter the labour market, gaining their independence.

Rescue

We were delighted to announce that 18 survivors being supported by Hope for Justice received compensation via criminal proceedings following the conviction of their traffickers and the issue of a compensation order.

This is a rare victory – only eight compensation orders of this kind were made in the UK from 2004-14, which is just a tiny fraction of the 211 people who were found guilty of trafficking and slavery-related crimes in the same period. There have only been a further three compensation orders made up to 2016

Rescue of a victim held in slavery for 28 years

This year Hope for Justice rescued a man held in slavery longer than anyone we have helped before: a shocking 28 years. This person came to the UK from Eastern Europe in the 1980s, but soon after arriving, came under the influence and then the control of traffickers. He has been forced to work all over the country, on building sites and in restaurants, with no freedom, unable to make his own choices: but now he is free.

Hope for Justice

Directors' report

For the year ended 31 March 2017

Report of the Directors cont.

Rescue (cont.)

Anti-slavery day

Hope for Justice worked with police forces and agencies across England on operations marking Anti-Slavery Day on 18 October and the associated 'Modern Slavery Week of Action', resulting in multiple rescues and arrests.

In the biggest operation, conducted jointly with Northumbria Police and others, 14 victims were rescued and helped to places of safety in a single day – a fantastic result.

Hope for Justice also joined Lancashire Police to identify potential victims at massage parlours and brothels in Blackpool and Morecambe, and conducted an operation at Leeds Bradford Airport with West Yorkshire Police.

Investigative hubs launched in Scotland and Northumberland

Hope for Justice continued its expansion to bring even more freedom by launching new Hubs in Scotland and Northumberland. Our Scotland team leader is a former Detective Superintendent with Police Scotland, with significant experience in partnership-working in the public protection arena and was a senior investigator and critical decision maker in complex child protection and vulnerable adult investigations.

We also launched our programme work into Northumberland with a vastly experienced ex-police officer. Northumberland is another area where we have strong links with the police.

We have received a number of testimonials during the year, particularly for our rescue work: the following is just one such quote from - Chief Constable Shaun Sawyer, Devon & Cornwall Police, National Police Lead for Modern Slavery:

"Hope for Justice is among those organisations taking the lead in addressing the issue of modern day slavery in today's Great Britain. Their organisation is the only NGO working from the point of rescue right through to advocacy."

Whilst we are delighted to receive such accolades, we are in no doubt about the size of the task ahead of us, and others working in this field. Our teams are therefore constantly looking for ways to reach into untapped parts of our communities to help identify and rescue those who currently have no voice, or their freedom.

Advocacy

Our specialists in the advocacy team are victims' champions and their work is wide ranging addressing both strategic issues that affect national legislation and also working with individual victims.

Government agency to change guidance after Hope for Justice intervention

A victim of slavery's criminal injuries compensation claim that was initially rejected by the authorities was later granted at appeal after Hope for Justice UK engaged specialist lawyers. We provided both evidence for the appeal and support to the victim at the tribunal. The Criminal Injuries Compensation Authority, an executive agency of the UK Ministry of Justice, will change its guidance as a result of this case.

Restitution is a vital part of the restorative process, and this change should help more victims to access compensation.

Restoration

Our Survivor Support team continued to work closely with those agencies which provide aftercare accommodation, to assist in the protection and rehabilitation of victims. Our Survivor Support team provides a vital point of consistent contact and signposts survivors to services that can make all the difference in their recovery.

Recommendations to improve victim care and support

Our advocacy team worked with other anti-trafficking NGOs and agencies on a wide-ranging report detailing exactly what policy and legislative changes are needed to facilitate recovery, reintegration and prevent re-exploitation. This groundbreaking report is being used to inform government on guidance, policy and legislation.

We have also continued to campaign and maintain pressure over the issue of victims being made destitute and homeless because of a lack of welfare assistance after exiting the government-funded 45-day recovery period. Our team briefed key parliamentarians and the UK Anti-Slavery Commissioner, who has as a result, requested a Parliamentary enquiry. We submitted detailed evidence to this enquiry, whose final report made strong recommendations for change that we fully endorse.

Hope for Justice

Directors' report

For the year ended 31 March 2017

Report of the Directors cont.

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. To demonstrate our commitment to this, we are now registered with the Fundraising Regulator, whose standards we applaud and work hard to uphold.

Activities and future plans

Hope for Justice has expanded significantly over the last 18 months, all of which has impacted our reserves. The constant challenge to generate voluntary giving to match our ambition is a hard one. Whilst we are always alive to opportunities to further the work we do in the UK and elsewhere, we are mindful of the two pillars on which we undertake all our activities - sustainability and replicability. We anticipate therefore that over the coming year we will continue to consolidate our position in the human trafficking network community, and further deepen relationships with our existing contacts in numerous police forces and with Police and Crime Commissioners, as well as developing new working relationships around the UK.

One area of work that we will be expanding our activities is working with large corporates in helping them to identify potential slavery in their supply chains.

The Modern Slavery Act was passed in 2015, with a greater requirement on businesses to be transparent about that they are doing to eradicate modern slavery. Since then Hope for Justice has been working with a number of FTSE businesses to help them to be not only legally compliant but also to be business reformers, joining in to help deliver Hope for Justice's core vision to see an end to slavery.

Activities, performance and future plans (Norway)

Training and awareness

We hired a research assistant in July to enable us to develop training material for Norwegian NGOs, front line workers and law enforcement officials. Late in the year, we launched an awareness-training programme. Over 400 people have completed this awareness training already. Following these sessions, we received several tips of suspected trafficking that we have passed on to local police for investigation.

Programme

We have been busy with our programme development, and have trained our team on how to engage with victims appropriately and we are now offering to assist the local police on ongoing cases. We are also working with lawyers and safe houses in their needs for further follow-up of victims.

Awareness

We are proud of our joint efforts alongside Working For Freedom, Bergen. This NGO is doing amazing work to raise awareness of modern slavery and we have co-presented seminars for professionals (and volunteers) on how to work with victims of human trafficking.

We have also been part of several conferences, during the year contributing with keynote sessions, stands and seminars.

We launched a Norway Facebook page to engage more regularly and directly with our supporters and have more than 1,100 followers already from across the country.

Hope for Justice

Directors' report

For the year ended 31 March 2017

Report of the Directors cont.

Financial report

This report refers elsewhere to the continuing adverse publicity in respect of how charities raise their funds. Hope for Justice does not employ any third parties or agencies to solicit donations on its behalf or adopt any method of systematic canvassing. We continue to attract new private donors as a result of public appeals. The nature of these appeals is such that the request for support will reach diverse sections of our community, and this means that we will not know the personal circumstances of each individual who responds. We have had no complaints during the year about our fundraising activities.

We are delighted to note that during the year we have seen our income grow in both the UK and Norway resulting in an increase of over 30% compared to the previous year's level, this is due in part to our investment in previous years' fundraising activities that are now bearing fruit. In spite of this growth in income, recurring donations in 2017 still constituted over 50% of our annual income, and contributed to a similar proportion towards costs. 89% of our income comes from private individuals, and we recognise that we have some of the most loyal and generous donors. We salute you, and remain totally indebted and ever-grateful. Irrespective of our size, we continue to apply stringent control over all our expenditure to ensure that we spend wisely.

As indicated elsewhere in this report, we have increased our programme activities substantially during the year, and this has suppressed what could have been a substantial uplift in retained reserves. Whilst our balance sheet remains healthy, looking forward, we hope to increase liquidity during the coming year to ensure the charity has sufficient funds to either invest in new projects both at home and abroad, and to withstand any unforeseen financial shocks without jeopardising our charitable activities.

Reserves

The directors 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 directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

This report was approved by the directors on 28 July 2017

Signed on behalf of the directors

P Elson

Director

Hope for Justice

For the year ended 31 March 2017

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

We have audited the financial statements of Hope for Justice for the year ended 31 March 2017 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. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015).

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 with reference to Section 44(1)(C) of the Charities and Trustee Investment (Scotland) Act 2005. 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement on page 3 the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with the applicable law and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2017, 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 applicable to Smaller Entities; and

have been prepared in accordance with the requirements of the Companies Act 2006; and

comply with regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Hope for Justice

For the year ended 31 March 2017

Independent auditor's report to the members cont.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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.

Jonathan Russell
Senior Statutory Auditor

28 July 2017

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 2017

	Notes	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Incoming and endowments from:					
Donations and legacies	2	1,307,827	494,576	1,802,403	1,385,680
Charitable activities	3	44,325	-	44,325	39,896
Other trading activities		-	-	-	18,150
Investments	4	2,518	-	2,518	1,427
Other				-	
Total		<u>1,354,670</u>	<u>494,576</u>	<u>1,849,246</u>	<u>1,445,153</u>
Expenditure on:					
Raising funds		284,954	-	284,954	209,724
Charities objectives	5	1,097,136	437,684	1,534,820	1,288,554
Other			-	-	
Total		<u>1,382,090</u>	<u>437,684</u>	<u>1,819,774</u>	<u>1,498,278</u>
Net income (expenditure)		(27,420)	56,892	29,472	(53,125)
Transfers between funds		-	-	-	
Net movement in funds		<u>(27,420)</u>	<u>56,892</u>	<u>29,472</u>	<u>(53,125)</u>
Reconciliation of funds					
Total funds brought forward		476,297	32,723	509,020	562,144
Exchange differences arising on consolidation		2,939	-	2,939	-
Total funds carried forward		<u>451,816</u>	<u>89,615</u>	<u>541,431</u>	<u>509,019</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 13 to 19 form part of these financial statements

Hope for Justice

Balance Sheets

As at 31 March 2017

		Group		Charity	
	Notes	2017	2016	2017	2016
		£	£	£	£
Fixed assets					
Tangible assets	8	48,273	19,578	44,324	18,610
Investments	9	-	-	3,625	2,737
Current assets					
Stock	10	6,365	4,843	6,104	4,843
Debtors	11	96,995	118,062	87,211	119,062
Cash at bank and in hand		603,916	460,341	439,953	432,534
		<u>707,276</u>	<u>583,246</u>	<u>533,268</u>	<u>556,439</u>
Liabilities					
Creditors: Amounts falling due within one year	12	214,118	93,805	200,742	87,428
Net current assets/liabilities		<u>493,158</u>	<u>489,441</u>	<u>332,526</u>	<u>469,011</u>
Total net assets or liabilities		<u><u>541,431</u></u>	<u><u>509,019</u></u>	<u><u>380,475</u></u>	<u><u>490,358</u></u>
The funds of the charity					
Unrestricted funds brought forward		479,236	525,462	457,636	525,462
Net /incoming unrestricted funds		(27,420)	(49,165)	(166,776)	(67,826)
Total unrestricted funds		<u>451,816</u>	<u>476,297</u>	<u>290,860</u>	<u>457,636</u>
Restricted funds		89,615	32,722	89,615	32,722
Total charity funds		<u><u>541,431</u></u>	<u><u>509,019</u></u>	<u><u>380,475</u></u>	<u><u>490,358</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the board on 28 July 2017 and signed on its behalf by:

P Elson
Director

The notes on pages 13 to 19 form part of these financial statements

Hope for Justice

Consolidated statement of cash flows

For the year ended 31 March 2017

	2017 £	2016 £
Cash flows from operating activities:		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	29,472	(53,125)
Adjustments for:		
Depreciation charges	10,284	8,579
Exchange differences on consolidation	2,939	-
Dividends, interest and rents from investments	2,518	1,427
(Increase)/decrease in stocks	(1,520)	(2,571)
(Increase)/decrease in debtors	21,067	(105,292)
Increase/(decrease) in creditors	120,313	(10,814)
Net cash provided by (used by) operating activities	<u>185,073</u>	<u>(161,796)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	(2,518)	(1,427)
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(38,979)	(9,145)
Net cash provided by (used in) investing activities	<u>(41,497)</u>	<u>(10,572)</u>
Change in cash and cash equivalents in the reporting period	<u>143,576</u>	<u>(172,368)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>460,341</u>	<u>632,709</u>
Cash and cash equivalents at the end of the reporting period	<u>603,917</u>	<u>460,341</u>
Analysis of cash and cash equivalents	Current year	Prior year
Cash in hand	259	332
Notice deposits (less than 30 days)	528,657	185,009
Notice deposits (more than 30 days)	75,000	275,000
Total cash and cash equivalents	<u>603,916</u>	<u>460,341</u>

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2017

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 - Accounting by Charities and the Financial Reporting Standard for Smaller Entities (effective January 2015). 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 Directors 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).

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 Directors 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 2017

1.6 Basis of consolidation

The group financial statements consolidate the financial statements of Hope for Justice and its subsidiaries No More Slaves Limited, Hope for Justice International (both dormant throughout this reporting period) and Hope for Justice AS.

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.

1.7 Reporting entity

Hope for Justice affiliated itself with the non-profit organisation located in the United States which is also named Hope for Justice. This separate entity shares a similar mission and purpose to that of Hope fore Justice in the UK, and some senior executives of the UK charity are board members of the affiliated organisation.

These financial statements do not include the financial activities of the affiliated organisation.

1.8 Investments

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

1.9 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.

1.10 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 2017

2 Donations and legacies	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £
Donations and legacies	1,305,852	494,576	962,551	416,532
Conference	1,975	-	6,597	-
	<u>1,307,827</u>	<u>494,576</u>	<u>969,148</u>	<u>416,532</u>
3 Charitable activities	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £
Speaker and trainer fees	32,964	-	24,192	-
Sale of 'awareness' merchandise	11,361	-	15,704	-
	<u>44,325</u>	<u>-</u>	<u>39,896</u>	<u>-</u>
4 Investments	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £
Bank interest	2,518	-	1,427	-
	<u>2,518</u>	<u>-</u>	<u>1,427</u>	<u>-</u>
5 Charitable objectives	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £
Awareness	312,336	86,938	269,370	8,226
Rescue	496,050	298,835	330,613	359,086
Advocacy	123,784	45,500	120,697	22,878
Aftercare	164,966	6,411	147,382	30,302
	<u>1,097,136</u>	<u>437,684</u>	<u>868,062</u>	<u>420,492</u>
Analysis of expenditure on charitable activities	Activities undertaken directly £	Support costs £	Total £	
Awareness	324,778	74,496	399,274	
Rescue	599,228	195,656	794,884	
Advocacy	134,682	34,603	169,285	
Aftercare	130,886	40,491	171,377	
	<u>1,189,574</u>	<u>345,246</u>	<u>1,534,820</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 2017

6 Auditors remuneration	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Audit of the financial statements	2,224	2,116	2,224	2,116
<hr/>				
7 Employee benefits			2017 £	2016 £
Salaries and Wages			1,018,504	750,419
Social Security costs			101,576	69,743
Employers Pension contributions (defined contribution scheme)			14,611	5,734
			<hr/>	<hr/>
			1,134,691	825,896

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	2
Average number of employees	<hr/>	<hr/>
	38	33

Remuneration paid to the trustees in their capacity as trustees during the year was £nil (2016 - £nil). Employee benefits paid to an enlarged key management team during the year was £267,438 (2015 - £97,942)

8 Tangible fixed assets	Group		
	Fixtures & Fittings £	Computers & Equipment £	Total £
Cost or valuation			
At 1 April 2016	8,301	44,582	52,883
Additions	26,556	12,423	38,979
Disposals	-	(946)	(946)
At 31 March 2017	<hr/>	<hr/>	<hr/>
	34,857	56,059	90,916
Depreciation			
At 1 April 2016	4,993	28,312	33,305
Charge for the year	1,823	8,461	10,284
Disposals	-	(946)	(946)
At 31 March 2017	<hr/>	<hr/>	<hr/>
	6,816	35,827	42,643
Written down value			
At 31 March 2017	<hr/>	<hr/>	<hr/>
	28,041	20,232	48,273
At 31 March 2016	<hr/>	<hr/>	<hr/>
	3,308	16,270	19,578

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2017

8 Tangible fixed assets cont.	Charity			
	Fixtures & Fittings £	Computers & Equipment £	Total £	
Cost or valuation				
At 1 April 2016	7,300	44,582	51,882	
Additions	26,556	8,813	35,369	
Disposals	-	(946)	(946)	
At 31 March 2017	33,856	52,449	86,305	
Depreciation				
At 1 April 2016	4,960	28,312	33,272	
Charge for the year	1,601	8,054	9,655	
Disposals	-	(946)	(946)	
At 31 March 2017	6,561	35,420	41,980	
Written down value				
At 31 March 2017	27,295	17,029	44,324	
At 31 March 2016	2,340	16,270	18,610	
9 Investments	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Investment in subsidiaries	-	-	3,625	2,737

The movement in investments is represented by the repayment of loans to NMS and Hope for Justice AS

10 Stock	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Finished goods	6,365	4,843	6,104	4,843

The stock is valued at purchase price.

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2017

11 Debtors	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	23,545	1,834	23,545	1,834
Other debtors	31,136	62,636	21,352	62,636
Inter-company loan	-	-	-	1,000
Prepayments	40,335	49,733	40,335	49,733
Income Tax Receivable (Gift Aid)	1,979	3,859	1,979	3,859
	96,995	118,062	87,211	119,062

Included in Other debtors is a loan of £20,500 to Hope for Justice USA. This loan is interest free and is expected to be repaid within 12 months subject to funds being available.

12 Creditors	Group		Charity	
	2017	2016	2017	2016
Amounts falling due within 1 year:	£	£	£	£
Trade creditors	73,351	30,825	69,728	30,629
Other creditors	97,130	3,879	93,107	836
Social Security and Other Taxes	31,349	25,950	25,619	24,595
Accruals and deferred income	12,288	33,151	12,288	31,369
	214,118	93,805	200,742	87,428

13 Transactions with related parties				2017	2016
				£	£
R White	Director	-	Travel and subsistence expenses	296	88
R Allen	Director	-	Payroll and finance services	-	56,375
T Nelson	Director	-	Fundraising services	-	16,440
A Gibson	Director	-	Travel and subsistence expenses	548	-

14 Donations from directors

The total amount given to the charity by its directors during the year was £12,600 (2016 - £3,900)

15 Analysis of Group net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Tangible fixed assets	48,273		48,273	19,578
Current assets	617,661	89,615	707,276	583,244
Current liabilities	(214,118)	-	(214,118)	(93,805)
	451,816	89,615	541,431	509,017

Hope for Justice

Notes to the consolidated financial statements

For the year ended 31 March 2017

15 Analysis of Charity net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Tangible fixed assets	44,324	-	44,324	18,610
Investments	3,625	-	3,625	2,737
Current assets	443,653	89,615	533,268	556,439
Current liabilities	(200,742)	-	(200,742)	(87,428)
	290,860	89,615	380,475	490,358

16 Restricted funds

	B/fwd 01/04/16	Received in year	Utilised in year	C/fwd 31/03/17
Advocacy	-	55,500	45,500	10,000
Aftercare	-	2,100	2,100	-
Cambodia	-	6,312	6,312	-
North East Hub	-	62,000	12,900	49,100
Scotland Hub	-	27,000	11,475	15,525
West Midlands Hub	32,723	265,775	298,498	-
West Yorkshire Hub	-	60,890	55,900	4,990
West Yorkshire Anti-trafficking network	-	15,000	5,000	10,000
	32,723	494,577	437,685	89,615

17 Operating leases

As at 31 March 2017, the Charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Land and buildings				
Less than one year	41,810	20,200	34,800	12,000
Between two and five years	69,600	-	69,600	-
	111,410	20,200	104,400	12,000