
DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

DEPAUL INTERNATIONAL
(A company limited by guarantee)

CONTENTS

| | Page |
|---------------------------------------------------------------------------------------|----------------|
| Statement of the Chair and Chief Executive | 1 |
| Trustees' report (incorporating the Group Strategic Report) | 2 - 18 |
| Independent auditor's report | 19 - 20 |
| Consolidated statement of financial activities | 21 |
| Consolidated balance sheet | 22 |
| Charity balance sheet | 23 |
| Consolidated cash flow statement | 24 |
| Notes to the financial statements | 25 - 52 |
| Reference and administrative details of the charity, its trustees and advisers | 53 - 54 |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**STATEMENT OF THE CHAIR AND CHIEF EXECUTIVE
FOR THE YEAR ENDED 31 DECEMBER 2016**

Depaul International is the parent organisation of a growing group of charities working to address the plight of homeless and marginalised people around the world. From its origins in London over twenty five years ago, the Depaul Group is now active in six countries: UK, Ireland, Slovakia, Ukraine, the USA and France.

The activities of the Depaul Group encompass both the provision of services to those who are homeless, with a focus on the most vulnerable, and advocacy for change in the systems and policies which lead to homelessness.

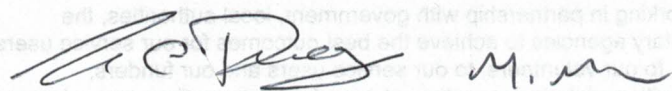
Progress was achieved in each of these areas during the past year. New projects were opened in five of our subsidiaries to provide for both increased emergency accommodation as well as longer term housing support, in response to local needs. The overall number of individuals supported during 2016 in the Depaul Group subsidiaries was over 21,000 individuals (2015: 20,000). In addition to the provision of services, a combination of public campaigns and structured engagement with relevant authorities have contributed to policy changes on homelessness at both a national and local level.

The starting point for the work of Depaul is to be found in each individual person: the woman or man who has become homeless, or who faces the threat of homelessness. Just as each individual is unique, so each of the Depaul subsidiaries is unique in providing a range of services to those most in need. The common thread which runs through our work is that of bringing hope to those who are vulnerable, in pursuit of our Vision that everyone should find a place to call home and a stake in their community.

One emerging trend over the past year is that of the growing numbers of refugees and internally displaced persons. Each of our subsidiaries responds to this crisis in different ways. Depaul Ukraine addresses the immediate needs for shelter for those displaced by the conflict in the east of that country, while subsidiaries in the UK, Ireland and France are each looking to provide support to internationally displaced refugees.

The work of Depaul can only take place with the generous encouragement and co-operation of our many supporters and partners around the world. We remain indebted to our funders, both individuals and organisations, who provide the financial resources to support our work; as well as to our partners, including government agencies, members of the Vincentian Family and the many voluntary sector groups with whom we share the goal of supporting those in need.

Finally, as CEO and Chair, we must record our huge appreciation to the staff and volunteers of the Depaul Group for their continued hard work and commitment to those in need, as well as to the Directors and Trustees across the Group for their wisdom and guidance in the direction of our work.



John Darley and Mark McGreevy
Chair of Trustees and Chief Executive

Date 8th July 2017

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees of Depaul International (who are also directors of the charity for the purposes of the Companies Act) are pleased to present their Annual Report, including the Directors' Report and the Strategic Report, together with the audited consolidated financial statements of Depaul International (the Depaul Group) for the year ended 31 December 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The Annual Report and Financial Statements of the charity and the group comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Group Strategic Report

AIMS, ACHIEVEMENTS AND FUTURE PLANS

Our Aims - Our Vision, Mission and Values

The Depaul Group works to support homeless and marginalised people around the world. We currently work in the UK, Ireland, Ukraine, Slovakia, the USA and France.

Our Vision

Our vision is of a society in which everyone has a place to call home and a stake in their community.

Our Mission

We aim to end homelessness and change the lives of those affected by it.

Our Values

- **Celebrating the potential of people:** working collaboratively in a way which empowers them; treating service users with respect, consulting and listening; and investing in our staff and volunteers.
- **Putting words into action:** we do what we say we will do. We are committed to innovation and to finding new ways to tackle the problems we encounter. Taking risks in working with marginalised groups and people with challenging behaviour.
- **Taking a wider role in civil society:** working in partnership with government, local authorities, the private sector, churches and other voluntary agencies to achieve the best outcomes for our service users; being open and accountable to our staff, to our volunteers, to our service users and our funders; influencing structural change in society, with a global perspective; striving for best practice; and using our resources effectively.
- **Believing in rights and responsibilities:** upholding and safeguarding people's rights; and recognising responsibilities - applying this equally to the organisation, service users, staff and volunteers.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Our Structure

We operate through our six local subsidiaries, full details of which are set out in Note 31. During 2016 Depaul UK approved one new subsidiary Safe@Last (and its own subsidiary Weekend@Last), an organisation it took over, providing housing support in Sheffield. Depaul Ireland also approved a new subsidiary, Depaul Housing Association, in October 2016.

Strategies for Achieving Objectives

Depaul International is working to achieve four strategic goals for the period 2015-2017:

- We will respond to homelessness and work to end it, by providing services to people who are homeless, or at risk of becoming homeless, with a focus on those who are most vulnerable.
- We will work to end homelessness through advocacy for change in systems and policies.
- We will develop the structures, standards and resources of the Depaul Group to enable significant growth towards our strategic horizon.
- We will grow the group at a measured pace.

The Trustees have considered the Charity Commission's guidance which sets out the requirements for charities to demonstrate their aims and activities are for public benefit. Our services are available to anyone who is assessed as needing them, within the limits of our resources. The people who are our beneficiaries are at the heart of everything we do in line with our values described above.

The business model which underpins the continued growth of the Depaul Group continues to prove robust. The Depaul Group's reputation is founded on strong values (derived from the Vincentian traditions) vested in a professional approach to the care of the homeless. High calibre, paid professional staff are complemented by dedicated volunteers. Access to both statutory and fundraised income (depending on local circumstances) remains a key strength, as do the excellent working relationships with other members of the Vincentian Family. These fundamentals provide confidence as to the sustainability of the Depaul Group for the future. The history of the Depaul Group, its relationship with the Vincentian Family and its values are explained more fully at page 14.

This poem was written by **Mary** from Tus Nua, in **Ireland**, a homeless service for women who are leaving prison.

My Dad's keys: When I was a child, I loved the sound of keys, the jangling noise they made together. But there was one set of keys whose sound I loved more than most. They belonged to my dad and had a distinctive sound made by a large copper coin on them. It was worn smooth and I think it came from his time in India as a British soldier. That noise would sound his arrival home and often that would mean comics or, if it was Friday, a treat. I loved that sound.

Locked in by a key: Sometimes something we take for granted in everyday life becomes a symbol of change and takes a different meaning. I now fear the sound of keys and the pain and disappointment that not having them can bring. I recently spent eight weeks in the Dóchas women's prison and keys brought a different reality for me. I became very aware of the noise they made on the officers' belts as they moved around the prison. That sound became particularly noticeable at lockup time. The jangling then the clunk as they finally locked the door, reminded you that you were un-free and isolated.

A key to my new home: I recently got a single key, it is the key to the door of my room in the place I call home at the moment. I have put a big red heart on it and it gives me a little peace in a life where change has become part of everyday life.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

ACHIEVEMENTS AND PERFORMANCE

Summary of Activities

Crisis response services are mainly provided in Slovakia and Ukraine, where greater numbers of people live on the streets and state benefits are minimal, and France, where homelessness is particularly acute in Paris. In the UK, Nightstop overnight accommodation service is also crisis response, and in Ireland and the USA, cold weather emergency accommodation is provided.

Our **longer term intensive support services** are mainly in the UK, Ireland and USA, with smaller projects in Ukraine and Slovakia. Longer term services work with a smaller number of clients providing accommodation and one-to-one interventions over a period of months or years to meet individual needs and enable individuals to change their circumstances.

In 2016 the Depaul Group provided over **600,000 meals** (2015: 490,000) to children and adults in a range of crisis and longer term services. Crisis services include street outreach, night shelters, day centres and support for homeless people in hospitals. This total also includes meals directly provided in long-term services where clients are not able to cook for themselves. It does not include other long term accommodation services where clients are supported to prepare their own meals.

The Depaul Group also provided accommodation for nearly **1,800 people** (2015: 1,500) each day in both crisis and long-term services. This represents an 80% increase on our baseline figure of 1,000 people at the commencement of our strategic planning cycle in 2015. In total, Depaul provided over **650,000 bedspaces** (2015: 550,000) in the year.

The Depaul Group uses a Results Framework, incorporating a theory of change, and based on the Group Strategic Framework to report both outputs and outcomes. With this we are able to demonstrate that each subsidiary is strengthening the quality and reach of our activities, to the benefit of those to whom we provide support.

Karolina is from the Donetsk region, in Ukraine where she worked as a market seller. When the war started she fled to Kharkiv but as she had no money or family she found herself homeless. Luckily, she had heard about Depaul. Of her experience she says: "I turned to **Depaul Ukraine** because the war started and I had no place to live. They were very good to me. They gave me shelter and food and the social workers are very good – thank you very much for that. Depaul accepts all people in need and provides them with everything they need for life."

Michael has been in foster care since he was 6 years old and found it extremely isolating. When he came to **Depaul UK** at the age of 20, we matched him with a mentor who helped him with "life skills, confidence and to see life from a different perspective". And accessing activities through Get Up and Go! really opened up the world to him, seeing that "there is more than just being inside your bedroom and those four walls". Michael is now doing incredibly well, has recently left for university and strives "to do an MA and a PhD after my degree."

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Our progress against the goals set for 2015-2017

Goal One: We will respond to homelessness, and work to end it, by providing services to people who are homeless or at risk of being homeless, with a focus on those who are most vulnerable.

| Objectives | Progress to date |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 Crisis response</p> <p>We will provide people who are homeless with:</p> <ul style="list-style-type: none">• food• access to hygiene services• primary health care, and• temporary accommodation, <p>especially in contexts with few or no public services for homeless people.</p> <p><i>Notes:</i> <i>'Crisis' can either mean a situation of ongoing crisis where no or few services are available, or an acute situation of urgent need..</i></p> | <p>In 2016 we provided over 600,000 meals, an increase of 22% from 490,000 meals per year in 2015. (Our target was to increase by 15% each year by the end of 2017 which we are achieving.)</p> <p>Across the Group we have increased access to hygiene services, primary health care and temporary accommodation. We are continuing to develop our reporting systems on these areas across the subsidiaries.</p> |
| <p>2 Achieving and sustaining a home.</p> <p>2.1 We will provide homeless and vulnerable people with</p> <ul style="list-style-type: none">• accommodation• access to services; and• intensive/intentional support that enables as many as possible to sustain a home. <p>2.2 We will also work with vulnerable and at risk groups to prevent homelessness, including responding to specific needs, such as for support on release from prison.</p> <p><i>Note: the bedspaces KPI includes both short-term and long-term accommodation.</i></p> | <p>In 2016 we provided nearly 1,800 bed spaces every night, an increase of 20% compared to our 2015 figures. This exceeds our target to build from our baseline of 1,000 bed spaces by 15% over the three years of the plan.</p> <p>We continue to monitor our prevention and support projects with the aim of ensuring we are successful with 75% of our clients. We are making progress but there is still more work to do in this area.</p> <p>For example, in the USA, our Philadelphia program showed 74% of residents moving into their own rented apartment, while in the UK, 69% of young clients achieved a planned positive move into independent living.</p> <p>And at our Mother & Baby unit in Ukraine, 33% of clients successfully moved on independently with their children.</p> <p>One of the emergency shelters in Ireland helped 33% of service users to make positive moves to longer term accommodation.</p> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Goal One continued :

| Objectives | Progress to date |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3 Better health and wellbeing. We will provide services that improve the life chances of homeless and vulnerable people by increasing their health and well-being. | Our three year target is that by the end of 2017, 80% of clients with whom we work in a sustained way and who access our health and other support services will show measurable and steady progress in health and well-being. For example, in 2016 80% of young people in Depaul UK achieved healthier lifestyles. In our Perichaux day centre in Paris, 54% of service users reported significant improvement in their health and well-being, up from 30% in 2015 and shows good progress in a project working with entrenched long term street homeless people. |
| 4 Fulfilling potential and on the way to a positive future. We will provide services and activities that enable homeless people to prepare for or move into employment and/or other forms of participation in local community and wider society. | We have set a target for all our subsidiaries that 80% of our service users in relevant projects or services will engage in education, training or voluntary or paid work or become measurably included in a local community or wider society, by 2017. Our client groups vary. In the UK, 87% of clients made a positive step towards employment, education or training whereas in France only 14% of users of the day centre entered into training, paid or voluntary work due to the amount of support needed to help them be work-ready and find jobs. At our emergency shelter in Bratislava, Slovakia, 51 of our clients were engaged in paid work. |

Heather, 35, has experienced homelessness throughout her youth and entered the shelter system again a few years ago. When she finally was referred to St. Raymond's House, Philadelphia, part of **Depaul USA's** programme her experience was very different to what she was used to. She says: "Being [here] is much easier on my disability because the old shelter had long lines for meals and frequent fire drills and broken elevators. Staff and residents [...] really push you to reach your goals but they also listen really carefully to you." After a lifetime of homelessness, Heather is proud to finally have "a place to call home".

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Goal Two: We will work to end homelessness through advocacy for change in systems and policies.

| Objectives | Progress to date |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 Engaging in advocacy</p> <p>We will play a leadership role in advocacy at city and national level, either as Depaul or in alliances which we will build and/or lead; and/or we will enable the voice of homeless people to be heard.</p> | <p>We currently have advocacy strategies and activities in at least 6 cities/regions.</p> <p>In 2016 we continued to provide a voice for homeless people based on the experience of our frontline work demonstrated by our stories below:</p> <p>Depaul Slovakia, along with other Slovak NGOs, continued to advocate for the homeless population, influencing regional and local policy, and a new 'Strategy for Dealing with the Problem of Homeless People in Bratislava for the years 2016 to 2021'.</p> <p>Two conferences were convened in Dublin and Belfast and led to a public campaign to reduce begging in Northern Ireland spearheaded by Depaul Ireland.</p> <p>Depaul France ran two public campaigns to raise awareness and change public attitudes to street homeless people.</p> <p>Depaul Ukraine participated in the UN-led review of services for victims of violence, particularly those affected by the recent conflict in the east of the country.</p> <p>Depaul UK compiled a report 'Danger Zones and Stepping Stones: Young people's experiences of hidden homelessness' which was published and launched at the House of Commons.</p> |
| <p>2 Working in partnership with the Institute of Global Homelessness (IGH)</p> <p>We will build a close relationship with the IGH and regard this as our primary advocacy partnership; and seek opportunities for active collaboration.</p> | <p>Depaul International attended the IGH research conference in 2016 launching the 'Ending Homelessness in 150 cities by 2030' global campaign. The pilot of IGH's first emerging leaders programme for the global homelessness sector included two senior managers from Depaul Slovensko.</p> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Goal Three: We will develop the structures, standards and resources of the Depaul Group to enable significant growth towards our strategic horizon.

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Developing our governance We will develop new governance structures, in close consultation with all subsidiaries and key partners, to enable effective and high performing governance as the group grows. | After a year of consultation new governance arrangements and a new Group Agreement were in place by 1 st February 2017. The first Depaul Group Assembly and International Board under the new arrangements took place in March 2017. |
| 2 Fundraising We will continue investing in fundraising capacity focused on the needs of the group, and will raise the funds needed to support existing subsidiaries in countries where there is limited capacity to raise funds; and to support expansion to new countries and within existing countries. | We increased voluntary income to £5.5m, up 12% compared to last year. Our target is to increase voluntary income raised within the Group by at least 10% each year, which has been achieved to date. In 2015 the board decided not to continue with the integrated fundraising strategy and move to a more devolved approach to fundraising. Our aim had been to develop and implement 3 new fundraising products by the end of 2017 but with a change in fundraising strategy, this is no longer a target. One way the Depaul Group has come together has been to raise funds for a new project in Ukraine for internally displaced people as part of celebrating 400 years of the Vincentian charism. |

We hadn't seen **Claude** for a while when we find him at the Place d'Italie, Paris. He recognises us immediately, asking us for a shower. He suffers from incontinence and badly needs to clean himself up. His poor mobility makes moving difficult and only after twenty minutes of sheer determination he manages to get up, using sticks to support his overweight body and weakened knees. We, at **Depaul France**, help him into the van, place a chair in the shower; the radio goes on; the coffee, towels and clean underwear are prepared; and then Claude gladly starts to share the stories of his life.

Robert became homeless after his company fired him due to his alcoholism. Street life was harsh and he fell in with groups of heavy drinkers. Eventually, he started coming to our nightshelter regularly but in 2016 his health deteriorated so badly that he was taken to hospital. His liver was severely damaged and he was told that he would die if he didn't change his life. Robert has been a different man ever since – working on our street cleaning project at **Depaul Slovensko**, looking for jobs, saving up money and talking to our social workers – changing his life one day at a time.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Goal Three (continued):

| Objectives | Progress to date |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>3 Standards</p> <p>We will continue to formulate clear frameworks of standards (financial and non-financial) to ensure that Depaul Group members have a pathway to high quality professional practices; and we will support and review group members' progress in achieving standards, as well as building capacity where needed.</p> <p>In particular, we will prioritise service user involvement and volunteer development.</p> | <p>In 2015, a group standards framework and a development schedule of subsidiaries' needs were agreed. We aim that each subsidiary will take steps to improve standards each year. Financial and Governance standards are in place and regularly monitored. In 2016, work was done to embed internal audit in each subsidiary.</p> <p>Reviews of Safeguarding policies and procedures across the group were completed and an analysis of local staff and volunteer induction policies begun.</p> <p>User involvement is a priority across the group. Depaul UK has Youth Advisory Boards that meet to discuss service user concerns, opportunities and policy reviews. Recently, young people produced a film with a homeless theatre group for staff training. Service users from both France and Slovakia attended the Pope's Jubilee event for socially excluded persons, held in Rome in November 2016, to highlight the issue of homelessness globally.</p> |
| <p>4 Values</p> <p>We will continue to give priority to embedding our Vincentian Values in all aspects of our organisational life and our services and other activities; in particular, we will continue to provide training at international level, and look for opportunities to cascade this effectively as we grow.</p> | <p>In 2016 Vincentian Values courses were run for staff from across the group and Philosophy of Care training resources were piloted with trainers in the subsidiaries.</p> <p>Depaul International Week is held annually and promotes local values initiatives.</p> |
| <p>5 Monitoring and evaluation</p> <p>We will give priority to developing stronger monitoring and evaluation practice across the Group, both to enable learning and to support fundraising and communication.</p> | <p>We had intended to provide an Impact Report for 2015. We are currently refining our data collection systems and aim to trial a 2015/6 Impact Report for outcomes in 2017.</p> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Goal Four: We will grow the Group at a measured pace.

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 New subsidiaries We will aim to add new subsidiaries to the group. | Depaul Croatia has been set up to facilitate the work of the Sisters of Charity, a branch of the Vincentian Family in Croatia. Following research, consultation and due diligence activities, we are finalising the legal arrangements to bring this new organisation into the group in 2017. We continue to look for opportunities to extend our work in other countries where appropriate and, although not a new subsidiary, have been developing a working partnership with another charity in Romania which has a similar values base to Depaul. |
| 2 Structured pathway into membership We will develop a clear structured pathway into the group, using learning from experience so far, and including appropriate due diligence. | A toolkit for undertaking due diligence, and templates and tools for managing the entry into the Depaul Group of new members, were completed in 2015. This was used for the due diligence work on Depaul Croatia in 2016. |

Future Plans and Objectives for 2017

The goals and objectives for the group are set out in the Depaul Group Strategic Framework 2015-2017. We will continue to monitor our progress against these goals using high level Key Performance Indicators (KPIs). In particular we will:

- Continue to increase our services to homeless people around the world, including exploring possibilities for setting up new projects and/or subsidiaries in new countries;
- Develop our work in Croatia, setting up governance arrangements and building on activities for the homeless already in place;
- Further strengthen our links with the Vincentian Family by supporting an initiative to reduce Global Homelessness; and
- Take the information from our Results Framework to measure outcomes and produce an Impact Report and use this to improve our practice across the Depaul Group.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

Review of Results

The financial results of the the Depaul Group demonstrate continued growth in 2016. Total expenditure for the group increased by 13% to £27.8m (2015: £24.6m). New services have been established in Depaul Ukraine (winter shelters and legal support), Depaul Ireland (winter shelters), Depaul UK (Safe@Last and Alone in London), Depaul Slovenkso (outreach work) and in Depaul USA (full year at St Raymond's, providing housing support to men and women with disabilities).

This growth was mainly funded by increased contractual income and overall the Depaul Group's income rose by 11% to £27.9m (2015: £25.2m). The surplus for the group for the year was £0.2m (2015: £0.5m). Of this £0.3m relates to a surplus on restricted funds and a deficit of £0.1m on unrestricted funds.

The results for the year to 31 December 2016 are set out in the Consolidated Statement of Financial Activities on page 21 and the financial position at 31 December 2016 is shown in the Balance Sheets on pages 22-23. An analysis of the results by organisation can be found at Note 31.

Depaul International raised total income of £854,000 in the year ended 31 December 2016 (2015: £851,000) through voluntary sources. Total expenditure for the year was £886,000 (2015: £885,00). The difference of £32,000 was funded by restricted and designated funds received in previous years.

The increase in cash for the group in the year of £1,097,000 (2015: £1,222,000 decrease) was mainly due to a reduction in the time it has taken for government to pay grants in Depaul Ireland and more capacity for debt collection in Depaul UK. In addition, there was significant capital expenditure in 2015. See Notes 25 to 26 for more information on cash-flow.

Performance of material fundraising against objectives set

The Board set a fundraising target of £4.7m for donations and income from events for 2016. This was exceeded by £0.7m. We are grateful to the many foundations, trusts, companies, community groups and individuals who responded positively to our requests for funding.

Key Financial Performance Indicators

Each subsidiary reports Key Financial Performance Indicators (KFPIs) to the Depaul International board on a quarterly basis. These include KFPIs which monitor income against budget, diversity of income sources, fundraising ratios, overhead ratios and levels of reserves. Performance against KFPIs in each subsidiary is monitored by Depaul International's Senior Management Team and the Trustees.

Michelle became homeless after her private life had fallen apart. After a year in various shelters she heard about St. Raymond's House in Philadelphia, run by **Depaul USA** and came to visit. She wanted to move in straight away. For her it is "the closest thing to having your own place without actually having a place of your own" with many opportunities on offer, a team that truly wants everyone to succeed and a resident community that helps to "hold each other up". Michelle's long-term goal is independence and to care for her grandchildren who often come to visit – something we are sure she will achieve.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Investment Policy and Performance

Depaul International has fairly modest investments. Our objective is therefore to maintain high liquidity whilst ensuring maximum security, meeting our ethical standards and achieving the highest possible return.

Reserves Policy

The Depaul Group holds funds at 31 December 2016 of £9,546,000 which are analysed at Note 23. The Group's reserves fall into two types.

Restricted funds: These are generated when the donor stipulates how their donation must be spent. The restricted funds are analysed between

- (i) funds held by Depaul International which are for restricted projects in the subsidiaries; and
 - (ii) the restricted funds held by each of the subsidiaries which are the aggregate of restricted funds held locally.
- At 31 December 2016 these amounted to £50,000 and £2,026,000 respectively, totalling £2,076,000.

Unrestricted funds: These are generated when the donor does not stipulate how their donation must be spent. Unrestricted funds include designated and other funds where the trustees have set aside money for a specific purpose or to cover possible risks.

The Depaul International designated funds have been set aside by Trustees for specific purposes. We monitor these to ensure they are expended as soon as possible, whilst guaranteeing these resources are used effectively.

The general funds held by subsidiaries are also included in designated funds.

The capital funds held by the subsidiaries, included in designated funds, are fixed asset reserves. These comprise the funds invested in fixed assets to allow the organisation to work effectively. They are kept separately from the other funds because it is not possible to use them elsewhere within the Depaul Group.

The unrestricted funds held by the group comprise (see Note 24 for more details):

| | 2016 | 2015 |
|----------------------------------------------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Unrestricted Funds held by Depaul International | 285 | 283 |
| Unrestricted Revenue Funds held by subsidiaries | 3,790 | 4,592 |
| Unrestricted Capital Funds less Long term liabilities held by subsidiaries | 3,395 | 2,738 |
| | <u>7,470</u> | <u>7,613</u> |

The Depaul Group Reserves policy states that each subsidiary will develop its own reserves policy which will be reviewed as part of the annual budgeting process. Each subsidiary is expected to build sufficient reserves in its own organisation to avoid an unacceptable level of disruption arising from unexpected changes in income or expenditure. This is monitored as part of the review of quarterly KFPIs.

The general or free reserves held by Depaul International, after making the allowances explained above, were £166,000 at 31 December 2016 (2015: £160,000).

Depaul International aims to build these free reserves to a level which will provide working capital comprising a minimum of 25% (3 months) of the annual staff and overhead costs expended by Depaul International.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

The 2017 budgeted annual staff and overhead costs to be expended by Depaul International (excluding grants to other Depaul organisations) is £440,000. At 31 December 2016 the level of free reserves is in line with the reserves policy.

The Trustees consider that there are sufficient reserves held at year end to avoid an unacceptable level of disruption to the organisation in the event of a downturn in future income. The Trustees continue to adopt policies and procedures to build up reserves in line with the growth of the charity and the group.

The Trustees review the reserves policy annually and continue to consider it appropriate to ensure the ability of the charity to meet its objectives. Consideration has been given to assessing the risk, probability and likely impact on our ability to meet our financial obligations or reduce our expenditure in the short term as a result of a decline in income.

Going Concern

After making appropriate enquiries, including assessments of the key risks (see below) and the preparation and review of three year financial and strategic plans for 2015-17, the Trustees have a reasonable expectation that the charity and the group has adequate resources to continue in operational existence for the foreseeable future. This assumes ongoing partnership, financial and otherwise, from the Vincentian Family. For this reason the Trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies at Note 1.

Principal Risk and Uncertainties

The Trustees have assessed the major risks to which Depaul International and the group is exposed. The main risks were identified and mitigating actions agreed. The Trustees are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The main risks for Depaul International, in line with many charities, are that both statutory and fundraised income will fall short of target and that staff will not have the capacity to manage a growing range of demands. Depaul International manages its finite resources by prioritising programmes, supporting local Boards in all its subsidiaries and using volunteers where appropriate. Increasingly we are facing more risks to staff in the group. This is because some of the areas in which we work are experiencing conflict but also because we work with people with complex needs which may result in violence to others. We mitigate these risks with rigorous approaches to policies, planning and our values.

Jenny fled domestic violence with her three children Daniel, Ellen and Graham. After years of happiness her husband got increasingly aggressive and one night after drinking he hit Jenny. It happened again and again. Jenny bravely left and was taken to **Depaul Ireland's** family service Cloverhill. At first she would not talk to anyone but eventually she started to open up. We helped her to report the abuse, linked her up with social services and after a few weeks she had a new house. Depaul now continues to provide floating support, helping Jenny and her children in whatever way we can.

Adrien is glad when we find him with our Mobil'douche at **Depaul France**. His skin is flaking badly, his hair is matted, his face grubby. After his shower his eyes well up as he tells us over tea that he is refused entry to a nearby daycentre because of his drinking problem. When he goes back to his bench we promise to come back next week. Then, whilst cleaning up we find €0,10 that must have fallen out of Adrien's pocket. When we hurry to give it back, his eyes well up once again as he repeats "thank you, thank you, thank you...".

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Each subsidiary assesses its own risks. These are formally reviewed and agreed by their Trustees and this information is made available to the Trustees of Depaul International. Each Depaul subsidiary has an action plan, policies and procedures in place to mitigate the risks.

The key risks for the Depaul Group and actions to manage these risks are summarised below:

Risk summary

| Key risks | Actions to manage the risk: we will continue to.... |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Fundraising in times of economic and political uncertainty | use our sustainable business model; explore new opportunities and build fundraising capacity in each subsidiary. |
| Financial sustainability | build reserves and liquidity in each subsidiary; maintain strong financial management and look for funders for new subsidiaries. |
| Challenges in maximising and evidencing our impact | develop our outcome reporting systems and monitor our performance against our targets. |
| Changes in key staff | maintain our business continuity plans; and support our staff to develop and progress. |
| Failure to maintain consistent high standards | continue good governance; prioritise our training in values; and review policies and practice as a group in line with our standards framework. |

STRUCTURE, HISTORY, GOVERNANCE AND MANAGEMENT

Our History

The Depaul Group of charities came about as a joint response by three organisations to the rise of youth homelessness in the late 1980s in London. These were the Daughters of Charity of St Vincent de Paul, the Society of St Vincent de Paul (SVP) and The Passage Day Centre. All three owe their own vision, mission and values to the life and works of St Vincent de Paul, a great social and spiritual reformer in 17th century France. They are part of a global network of charitable and religious organisations known collectively as the Vincentian Family. St Vincent de Paul believed in action rather than words, in taking risks to help the poor, and in finding new ways to deal with old problems. Although Depaul International is independent of these founding organisations, it continues to work closely with them and other members of the Vincentian Family globally. The Depaul Group is recognised as being part of the Vincentian Family in its own right working inclusively with homeless and disadvantaged people of all faiths or none, which is reflected in the make up of its staff, volunteers and trustees.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Our Governance - Method of Appointment or Election of Trustees

The management of Depaul International and the group is the responsibility of the Trustees of Depaul International who are elected and co-opted under the terms of the Articles of Association. The governing body of Depaul International is the Board of Trustees, which comprises a membership of up to 21 with 18 places taken in 2016 (2015: 18).

During 2016, the policies relating to the recruitment and appointment of each type of trustee were as follows:

- Chairs of subsidiaries are appointed as trustees by right;
- Sponsor organisations nominate their own representatives who are then appointed as trustees by right; and
- The Board of Trustees manages the process for the recruitment and appointment of independent trustees. The Chair of the Board of Trustees will decide on the appropriate process for recruiting new trustees, usually by advertising the role, based on an evaluation of the balance of diverse skills and experience needed to govern the charity.

However, new governance arrangements were approved by the board and members and from February 2017 the Board of Trustees agreed a new composition for the board.

- The Board of Trustees will comprise a membership of 12 places;
- Chairs of subsidiaries are no longer appointed as trustees by right; instead two trustees will be agreed among the subsidiaries to bring a subsidiary perspective;
- Three Sponsor organisations nominate their own representatives who are then appointed as trustees by right; and
- The Board of Trustees continue to manage the process for the recruitment and appointment of the remaining seven independent trustees. The Chair of the Board of Trustees will still decide on the appropriate process for recruiting new trustees, usually by advertising the role, based on an evaluation of the balance of diverse skills and experience needed to govern the charity.

Trustees are normally elected for a period of three years and may be re-elected for a further three-year period. In exceptional cases periods of office may be extended.

Governance - Policies adopted for the Induction and Training of Trustees

Newly appointed trustees receive a letter of appointment and take part in an induction programme covering responsibilities and involvement inside and outside formal trustees' meetings.

Governance - Subcommittees

The Finance Committee supports the Board of Trustees in the financial governance in the charity. The committee comprises 3 (2015: 3) trustees from the Board of Trustees with the Treasurer serving as Chair. In addition, there is one US-based co-opted member of the Finance subcommittee.

The Remuneration Committee governs the remuneration packages of executive staff. The membership of the committee comprises 4 trustees (2015: 4) from the Board of Trustees, with the Chair of Depaul International serving as Chair.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Arrangements for setting the pay and remuneration of key management personnel

The Depaul Group Policy and Principles for the Determination of Executive Remuneration reflects the Depaul Group's reward philosophy for key management personnel, and forms the basis upon which Depaul International and Depaul Group subsidiaries are expected to manage executive remuneration.

The objective of the Depaul Group's Executive remuneration policy and principles is to ensure that the Chief Executive and staff team are, in a fair and responsible manner, rewarded for their contributions to the success of the charity. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other charities, ensuring the Depaul Group remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

We aim to recruit and reward staff, subject to experience, broadly at the median market value of like-posts in the voluntary/not-for-profit sector to allow for progression over time.

More details can be found on the website www.int.depaulcharity.org in the governance section.

Management - Organisational Structure and Decision Making

In order to ensure that Depaul International is managed efficiently and effectively, the Trustees have delegated a range of day-to-day decision making powers to management. The Trustees have established appropriate controls and reporting mechanisms to ensure that the staff team operates within the powers delegated to it.

Employee Involvement and Employment of the Disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. Trustees in each Depaul organisation are actively encouraged to visit projects to meet with employees and listen to their views.

The Depaul Group has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Volunteers Policy
- Health & Safety Policy

In accordance with the Depaul Group's Equal Opportunities Policy, the Depaul Group has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Depaul Group's offices.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Volunteers

Depaul International has a strong culture of volunteering. It believes that voluntary sector organisations should be a platform for people to show their care and compassion, and that the experience should be as beneficial to our volunteers as it is to us. Depaul International will ensure that volunteers have a strong involvement in the development of the organisation.

Depaul International and the group are grateful for the unstinting efforts of its volunteers who are involved in service provision, administration and fundraising. In 2016 over 1,700 volunteers (2015: 1,300) contributed nearly 125,000 hours (2015: 90,000) to the group. The Depaul Group has volunteer coordinators to ensure that best value is derived from the efforts of our volunteers.

Depaul Ireland holds Investors in Volunteers awards, the first organisation to achieve this in both the Republic of Ireland and Northern Ireland. They also grew their volunteer base in Northern Ireland by 90% in 2016.

We met **Aleksandr** in an abandoned building with feet so frost bitten that he could only move on his knees. Ambulances had refused to take him saying he did not need hospitalisation and when he pleaded for some pain relief, one crew member injected him with water. With **Depaul Ukraine's** help Aleksandr was finally admitted to a hospital and received urgent medical treatment. Sadly, our help came too late for his feet and both had to be amputated. Our social workers are now preparing the papers to register his disability and secure a place at the Gerontology centre for further treatment and assistance.

When **Liam** first came to **Depaul UK** he struggled with anxiety and depression and found it difficult to deal with money. Depaul supported Liam to address these challenges through key working, budgeting sessions and with the help of a volunteer mentor. Now, Liam's words are those of a confident young man: "Since coming here, I have changed my life. I can now budget and pay bills. Moving out has helped me and my mum to get on better. I also feel moving into the transitional flats has helped me build the confidence to eventually move on to my own tenancy."

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Depaul International for the purposes of company law) are responsible for preparing the Group Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

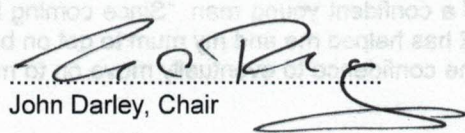
The Trustees of Depaul International are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees of Depaul International at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- the Trustee has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the charitable group's auditor in connection with preparing its report and to establish that the charitable group's auditor are aware of that information.

This report was approved by the Trustees on 27 June 2017 and signed on their behalf by:


John Darley, Chair

DEPAUL INTERNATIONAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL INTERNATIONAL

We have audited the financial statements of Depaul International for the year ended 31 December 2016 which comprise the group statement of financial activities, the group and charity balance sheets, the group cash flow statement and the related notes 1 to 35.

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).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE 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 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 (incorporating the Strategic 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 the charitable company's affairs as at 31 December 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL INTERNATIONAL

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report (incorporating the Group Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Annual Report (incorporating the Group Strategic Report) has been prepared in accordance with applicable legal requirements..

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report (incorporating the Strategic Report).

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:

- the parent charitable company has not kept adequate accounting records, ; or
- the parent charitable company 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.

N. H. Hashemi

Naziar Hashemi (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill
STATUTORY AUDITOR

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date:

27/7/17

DEPAUL INTERNATIONAL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2016

| | | Restricted funds 2016 £000 | Unrestricted funds 2016 £000 | Total funds 2016 £000 | <i>Total funds 2015 £000</i> |
|----------------------------------------------------------------|-------------|-----------------------------------------------|-------------------------------------------------|------------------------------------------|------------------------------------------|
| | Note | | | | |
| INCOME FROM: | | | | | |
| Donations and legacies | 3 | 2,246 | 2,921 | 5,167 | 4,667 |
| Charitable activities: | | | | | |
| Accommodation and Resettlement | | 10,074 | 9,961 | 20,035 | 18,221 |
| Outreach and Work in the Community | | 1,405 | 391 | 1,796 | 1,895 |
| Other | | 8 | 119 | 127 | 175 |
| Other fundraising events and trading activities | 4,5 | - | 317 | 317 | 213 |
| Investments | 6 | - | 8 | 8 | 7 |
| Other income | 8 | 352 | 54 | 406 | 25 |
| TOTAL INCOME | | 14,085 | 13,771 | 27,856 | 25,203 |
| EXPENDITURE ON: | | | | | |
| Raising funds: | | | | | |
| Voluntary income | 9,10 | 165 | 1,540 | 1,705 | 1,413 |
| Fundraising trading | 5 | - | 92 | 92 | 54 |
| Charitable activities: | | | | | |
| Accommodation and Resettlement | | 10,787 | 11,012 | 21,799 | 19,565 |
| Outreach and Work in the Community | | 2,952 | 775 | 3,727 | 3,346 |
| Other | | 82 | 314 | 396 | 194 |
| TOTAL EXPENDITURE | | 13,986 | 13,733 | 27,719 | 24,572 |
| OPERATING INCOME | | 99 | 38 | 137 | 631 |
| Net gains on investments | | 4 | 2 | 6 | - |
| NET INCOME BEFORE TRANSFERS | | 103 | 40 | 143 | 631 |
| Transfers between funds | 23 | 7 | (7) | - | - |
| NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES | | 110 | 33 | 143 | 631 |
| Currency translation differences | | 217 | (176) | 41 | (120) |
| NET MOVEMENT IN FUNDS | | 327 | (143) | 184 | 511 |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 1,749 | 7,613 | 9,362 | 8,851 |
| TOTAL FUNDS AT 31 DECEMBER 2016 | | 2,076 | 7,470 | 9,546 | 9,362 |

All activities relate to continuing operations.
The notes on pages 25 to 52 form part of these financial statements.

DEPAUL INTERNATIONAL
(A company limited by guarantee)
REGISTERED NUMBER: 5245818

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2016

| | Note | £000 | 2016 £000 | 2015 £000 |
|----------------------------------------------------------------|------|----------------|----------------|----------------|
| FIXED ASSETS | | | | |
| Intangible assets | 15 | | 17 | 20 |
| Tangible assets | 16 | | 6,952 | 6,362 |
| Programme related investments | 17 | | 47 | 47 |
| | | | <u>7,016</u> | <u>6,429</u> |
| CURRENT ASSETS | | | | |
| Stocks | 18 | 4 | | 3 |
| Debtors: amounts falling due after more than one year | 19 | 5 | | 121 |
| Debtors: amounts falling due within one year | 19 | 2,504 | | 3,437 |
| Current asset investments | 20 | 95 | | 26 |
| Cash at bank and in hand | | 5,142 | | 4,114 |
| | | <u>7,750</u> | | <u>7,701</u> |
| CREDITORS: amounts falling due within one year | 21 | <u>(3,182)</u> | | <u>(3,589)</u> |
| NET CURRENT ASSETS | | | <u>4,568</u> | <u>4,112</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>11,584</u> | <u>10,541</u> |
| CREDITORS: amounts falling due after more than one year | 22 | | <u>(2,038)</u> | <u>(1,179)</u> |
| NET ASSETS | | | <u>9,546</u> | <u>9,362</u> |
| GROUP FUNDS | | | | |
| Restricted funds | 23 | 2,076 | | 1,749 |
| Unrestricted funds | 23 | 7,470 | | 7,613 |
| TOTAL FUNDS | | | <u>9,546</u> | <u>9,362</u> |

The financial statements were approved by the Trustees on 27 June 2017 and signed on their behalf, by:


John Darley, Chair

The notes on pages 25 to 52 form part of these financial statements.

DEPAUL INTERNATIONAL
(A company limited by guarantee)
REGISTERED NUMBER: 5245818

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2016

| | Note | £000 | 2016 £000 | 2015 £000 |
|-------------------------------------------------------|------|------------|--------------|--------------|
| CURRENT ASSETS | | | | |
| Debtors | 19 | 76 | 111 | |
| Cash at bank | | 320 | 266 | |
| | | <u>396</u> | <u>377</u> | |
| CREDITORS: amounts falling due within one year | 21 | (61) | (25) | |
| NET CURRENT ASSETS | | | <u>335</u> | <u>352</u> |
| NET ASSETS | | | <u>335</u> | <u>352</u> |
| TOTAL FUNDS | | | | |
| Restricted funds | 2 | 50 | 69 | |
| Unrestricted funds | 2 | 285 | 283 | |
| TOTAL FUNDS | | | <u>335</u> | <u>352</u> |

The financial statements were approved by the Trustees on 27 June 2017 and signed on their behalf, by:


John Darley, Chair

The notes on pages 25 to 52 form part of these financial statements.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

| | Note | 2016 £000 | 2015 £000 |
|--------------------------------------------------------|------|--------------|--------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 25 | 1,128 | 324 |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | (8) | (7) |
| Purchase of tangible fixed assets | | (847) | (2,547) |
| Purchase of investments | | - | (5) |
| Net cash used in investing activities | | (855) | (2,559) |
| Cash flows from financing activities: | | | |
| Repayments of borrowings | | (137) | (482) |
| Cash inflows from new borrowing | | 961 | 1,495 |
| Net cash provided by financing activities | | 824 | 1,013 |
| Change in cash and cash equivalents in the year | | 1,097 | (1,222) |
| Cash and cash equivalents brought forward | | 4,140 | 5,362 |
| Cash and cash equivalents carried forward | 26 | 5,237 | 4,140 |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

1.1 Company status

The charity, Depaul International, is registered as a company limited by guarantee in England and Wales (number: 5245818). The members of the company are currently the Trustees named on page 53. Its registered address is: St Vincent's Centre, Carlisle Place, London, SW1P 1NL.

Depaul International is also registered as a charity with the Charity Commission (number: 1107385).

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Depaul International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial performance of the charity can be found at Note 2.

The charity has taken advantage of the exemption not to present its own cash flow statement.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Depaul International and all of its subsidiary undertakings ('subsidiaries') on a line by line basis.

1.4 Going concern

Depaul International continues to operate on a going concern basis. The Trustees regularly review detailed financial projections, which are adjusted to take into account revised assumptions and events. Where such projections indicate a potential problem corrective action is taken to protect the future financial viability of the organisation. The key risks assessed are described in the Trustees' Report. There are no material uncertainties about the Depaul Group's ability to continue as a going concern.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.5 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of supporters is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Grants receivable from the Government and other agencies have been included as income from activities in furtherance of the group's objects where these amount to a contract for services, but as donations where the money is given in response to a fundraising appeal or with greater freedom of use.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Overheads have been allocated on the basis of direct costs in the relevant project or activity.

Fundraising costs are those incurred in seeking voluntary contributions, contracts and statutory grants. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All resources expended are inclusive of irrecoverable VAT.

Resources expended on charitable activities comprises expenditure incurred on the defined charitable purposes and includes grants payable, direct staff and other costs attributable to those activities including allocated support costs.

1.8 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (continued)

1.9 Intangible fixed assets and amortisation

Intangible assets are capitalised at cost.

The associated costs of a franchise are amortised on a straight-line basis over the term of the franchise agreement.

Amortisable intangible assets are reviewed periodically for impairment when events or changes in circumstances indicate the carrying amount of an asset may not be recoverable.

1.10 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|-------------------------------|---|---------------------------------------------------------------------------------------------------|
| Freehold property | - | 50 to 100 years straight line |
| Long Term Leasehold Property | - | lesser of life of lease or their useful life/ Modified Accelerated Cost Recovery System in USA |
| Short Term Leasehold Property | - | 10 years |
| Motor vehicles | - | 3-4 years |
| Fixtures & fittings | - | 2-5 years |
| Computer equipment | - | 2-5 years |
| Land | - | Not depreciated |

1.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the SOFA.

1.12 Operating leases

Rentals under operating leases are charged to the SOFA on a straight line basis over the lease term.

1.13 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.14 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Foreign currencies

Items included in the financial statements of each of the Depaul Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in sterling, which is the charity's functional and presentation currency.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the SOFA.

1.16 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.17 Significant estimates and judgements

The Depaul Group's critical accounting policies under FRS 102 have been set by management with the approval of the Trustees. The application of these policies requires estimates and assumptions to be made concerning the future and judgements to be made on the applicability of policies to particular situations. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Under FRS 102 an estimate or judgement may be considered critical if it involves matters that are highly uncertain or where different estimation methods could reasonably have been used, or if changes in the estimate that would have a material impact on the Depaul Group's results are likely to occur from period to period.

The critical judgements required when preparing the group accounts are as follows:

(i) Provisions - As part of the Depaul UK's rental income arrangements with tenants and local authorities, all rental income is received in arrears and there is always a risk of some debts becoming irrecoverable. An appropriate provision has been made in the accounts to take account of that risk.

(ii) Useful economic lives of tangible assets - The annual amortising and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates based on future investments and physical condition of the assets. For freehold properties, a valuation is conducted every five years. In addition, impairment reviews are carried out every year.

(iii) Multi-year grants - The Depaul Group recognises future income receivable discounted to its present value using an estimated discount rate.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated SOFA includes the results of the charity's wholly owned subsidiaries which provide services for clients.

The summary financial performance of the charity alone is:

| | 2016 | 2015 |
|---------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Donations and legacies | 473 | 478 |
| Income from charitable activities | 76 | - |
| Group subscriptions from subsidiaries | 305 | 363 |
| Total income | 854 | 841 |
| Raising funds | 134 | 298 |
| Expenditure on charitable activities | 752 | 587 |
| Total expenditure | 886 | 885 |
| Net income/(expenditure) | (32) | (44) |
| Currency translation differences | 15 | - |
| Total funds brought forward | 352 | 396 |
| Total funds carried forward | 335 | 352 |
| Represented by | | |
| Unrestricted income funds | | |
| Designated funds | 119 | 123 |
| General funds | 166 | 160 |
| | 285 | 283 |
| Restricted income funds | 50 | 69 |
| | 335 | 352 |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

3. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2016 £000 | Unrestricted funds 2016 £000 | Total funds 2016 £000 | Total funds 2015 £000 |
|--------------------------------------------|-------------------------------------|---------------------------------------|--------------------------------|--------------------------------|
| Donations from individuals | 37 | 1,241 | 1,278 | 940 |
| Churches, SVP, schools and other societies | 186 | 270 | 456 | 330 |
| Corporate donations | 496 | 708 | 1,204 | 1,018 |
| Legacies | 8 | 147 | 155 | 6 |
| Grants | 1,501 | 397 | 1,898 | 2,169 |
| Gifts in kind | 18 | 158 | 176 | 204 |
| | <u>2,246</u> | <u>2,921</u> | <u>5,167</u> | <u>4,667</u> |
| Total donations and legacies | <u>2,246</u> | <u>2,921</u> | <u>5,167</u> | <u>4,667</u> |

Gifts in kind includes £134,000 of donations of food, clothes and other goods for clients' use (2015: £92,000). Office space in Depaul USA and Depaul France worth £30,000 has been provided rent free in 2016 (2015: £12,000); and two houses valued at £12,000 were donated to Depaul USA (2015: £Nil).

4. INCOME FROM FUNDRAISING EVENTS

| | Restricted funds 2016 £000 | Unrestricted funds 2016 £000 | Total funds 2016 £000 | Total funds 2015 £000 |
|--------|-------------------------------------|---------------------------------------|--------------------------------|--------------------------------|
| Events | - | 246 | 246 | 157 |
| | <u>-</u> | <u>246</u> | <u>246</u> | <u>157</u> |

5. TRADING ACTIVITIES

| | Unrestricted funds 2016 £000 | Total funds 2016 £000 | Total funds 2015 £000 |
|--------------------------------------------------|---------------------------------------|--------------------------------|--------------------------------|
| Charity trading income | | | |
| Sales income | 71 | 71 | 56 |
| | <u>71</u> | <u>71</u> | <u>56</u> |
| Charity trading costs | | | |
| Running expenses | 92 | 92 | 54 |
| | <u>92</u> | <u>92</u> | <u>54</u> |
| Net (expenditure)/income from trading activities | (21) | (21) | 2 |
| | <u>(21)</u> | <u>(21)</u> | <u>2</u> |

The trading comprises retail sales of donated goods. This is undertaken by a trading subsidiary of Depaul USA.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. INVESTMENT INCOME

| | Unrestricted & Total funds 2016 £000 | <i>Unrestricted & Total funds 2015 £000</i> |
|----------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Investment income - local listed investments | 1 | 1 |
| Investment income - local cash | 7 | 6 |
| | <u>8</u> | <u>7</u> |

7. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES BY TYPE OF INCOME

| | Restricted funds 2016 £000 | Unrestricted funds 2016 £000 | Total funds 2016 £000 | <i>Total funds 2015 £000</i> |
|--------------------------------|-----------------------------------------------|-------------------------------------------------|------------------------------------------|------------------------------------------|
| Contracts for project work | 11,166 | 1,482 | 12,648 | 12,097 |
| Rents and charges to residents | - | 4,869 | 4,869 | 4,259 |
| Other income | 321 | 4,120 | 4,441 | 3,935 |
| | <u>11,487</u> | <u>10,471</u> | <u>21,958</u> | <u>20,291</u> |

The Depaul Group received contributions from the UK government of £7.7m (2015 £8.1m) including Supporting People contracts. There are no unfunded commitments or unfulfilled conditions.

8. OTHER INCOME

| | Restricted funds 2016 £000 | Unrestricted funds 2016 £000 | Total funds 2016 £000 | <i>Total funds 2015 £000</i> |
|--------------------------------|-----------------------------------------------|-------------------------------------------------|------------------------------------------|------------------------------------------|
| Other income | 3 | 54 | 57 | 25 |
| Net assets arising from merger | 349 | - | 349 | - |
| | <u>352</u> | <u>54</u> | <u>406</u> | <u>25</u> |

The net assets arising from merger comprise the assets of Safe@Last which became a subsidiary of Depaul UK in 2016.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. DIRECT COSTS

| | Fundraising costs £000 | Accom & Resettlem't £000 | Outreach & Work in the Community £000 | Other Charitable Activities £000 | Total 2016 £000 | <i>Total 2015 £000</i> |
|-------------------------------------|---------------------------------------|---------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------|--------------------------------|--------------------------------|
| Direct staff and volunteer costs | 947 | 13,005 | 2,476 | 138 | 16,566 | 14,641 |
| Other direct costs | 577 | 6,530 | 773 | 187 | 8,067 | 7,263 |
| | <u>1,524</u> | <u>19,535</u> | <u>3,249</u> | <u>325</u> | <u>24,633</u> | <u>21,904</u> |

The work of the Depaul Group is complex, but for accounts purposes the charitable activities are classified simply as:

Accommodation and Resettlement comprises expenditure on our shelters, hostels, hospices and move-on accommodation.

Outreach and Work in the Community covers the work in our daycentres, visits to orphanages and prisons and family mediation work.

Other Charitable expenditure includes costs relating to volunteering, training and developing new activities.

10. SUPPORT AND GOVERNANCE COSTS

| | Fundraising costs £000 | Accom. & Resettlem't £000 | Outreach & Work in the Community £000 | Other Charitable Activities £000 | Total 2016 £000 | <i>Total 2015 £000</i> |
|-------------------------------------|---------------------------------------|----------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------|--------------------------------|--------------------------------|
| Direct staff and volunteer costs | 155 | 1,713 | 408 | 58 | 2,334 | 1,935 |
| Other direct costs | 26 | 551 | 70 | 13 | 660 | 679 |
| | <u>181</u> | <u>2,264</u> | <u>478</u> | <u>71</u> | <u>2,994</u> | <u>2,614</u> |

ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

| | Staff and volunteer costs £000 | Other costs £000 | 2016 £000 | <i>2015 £000</i> |
|-----------------|---------------------------------------------------|-----------------------------|----------------------|----------------------|
| Operations | 971 | 468 | 1,439 | 1,359 |
| Human Resources | 536 | 57 | 593 | 409 |
| Finance | 830 | 12 | 842 | 724 |
| Governance | - | 120 | 120 | 122 |
| | <u>2,337</u> | <u>657</u> | <u>2,994</u> | <u>2,614</u> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

11. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

| | 2016 | <i>2015</i> |
|-----------------------------------------|--------------|--------------|
| | £000 | <i>£000</i> |
| Depreciation of tangible fixed assets: | | |
| - owned by the charitable group | 257 | <i>85</i> |
| Amortisation of intangible fixed assets | 3 | <i>1</i> |
| Operating lease rentals | 847 | <i>861</i> |
| Interest receivable | 8 | <i>7</i> |
| | ===== | <i>=====</i> |

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

18 Trustees received reimbursement of expenses amounting to £16,000 in the current year, (2015 - 18 Trustees - £16,000).

12. AUDITOR'S REMUNERATION

| | 2016 | <i>2015</i> |
|---------------------------------------------------------------------------------------------------------|--------------|--------------|
| | £000 | <i>£000</i> |
| Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts | 12 | <i>12</i> |
| Fees payable to the subsidiaries' auditors in respect of: | | |
| The auditing of accounts of subsidiaries by the company's auditor | 34 | <i>25</i> |
| The auditing of accounts of subsidiaries by other auditors | 32 | <i>27</i> |
| | ===== | <i>=====</i> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

13. STAFF NUMBERS AND COSTS

The staff numbers include permanent staff and weekly locum staff for the Depaul Group.

The average number of persons employed by the charity during the year was as follows:

| | 2016 | 2015 |
|------------------------------------|------------------------|------------------------|
| | No. | No. |
| Accommodation and Resettlement | 533 | 487 |
| Outreach and Work in the Community | 155 | 154 |
| Cost of generating funds | 24 | 22 |
| Operations | 30 | 25 |
| Human resources | 11 | 10 |
| Finance | 23 | 24 |
| | <hr/> 776 <hr/> | <hr/> 722 <hr/> |

The number of higher paid employees was:

| | 2016 | 2015 |
|-------------------------------|-------------|-------------|
| | No. | No. |
| In the band £60,001 - £70,000 | 4 | 2 |
| In the band £70,001 - £80,000 | 2 | 2 |
| In the band £80,001 - £90,000 | 3 | 2 |

The total amount of benefits received by the key management personnel of Depaul International is £226,000 (2015: £232,000). In relation to these employees there were staff costs of £23,000 (2015: £21,000) in employers' national insurance. Details of the key management personnel can be found on page 54.

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions are made to money purchase schemes in respect of 8 (2015: 4) of them. Total employer contributions to money purchase schemes in respect of such employees during the year amounted to £27,000 (2015: £14,000).

The Depaul Group Policy and Principles for the Determination of Executive Remuneration reflects the Depaul Group's reward philosophy for senior executive staff, and form the basis upon which Depaul International and Depaul Group subsidiaries are expected to manage executive remuneration. More details can be found on the website www.int.depaulcharity.org in the transparency section.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

STAFF AND VOLUNTEER COSTS

Staff and volunteer costs for the year were as follows:

| | 2016 | <i>2015</i> |
|-----------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Wages and salaries | 15,672 | <i>13,667</i> |
| Social security costs | 1,578 | <i>1,370</i> |
| Pension costs | 379 | <i>302</i> |
| Sub total | 17,629 | <i>15,339</i> |
| Other employee costs | 1,269 | <i>1,265</i> |
| Total | 18,898 | <i>16,604</i> |

Other employee costs comprise professional fees needed to develop bids to commissioners for new services. It also includes agency staff, volunteers' expenses (including the European Volunteer Scheme where young people from Europe live and volunteer at Depaul projects), Vincentian Values and other training, employee travel, insurance and recruitment. More details on the contribution of volunteers can be found on page 17.

14. TAXATION

Depaul International and its subsidiaries are registered charities or the local equivalent and therefore are not liable to direct taxes on income derived from their charitable activities, as they fall within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. VAT and other sales taxes incurred are not recoverable and are included as part of the underlying expenditure.

15. INTANGIBLE FIXED ASSETS

| Group | 2016 |
|----------------------------------------|------------------|
| Cost | Franchise |
| | £000 |
| At 1 January 2016 and 31 December 2016 | 24 |
| Amortisation | |
| At 1 January 2016 | 4 |
| Charge for the year | 3 |
| At 31 December 2016 | 7 |
| Carrying amount | |
| At 31 December 2016 | 17 |
| <i>At 31 December 2015</i> | <i>20</i> |

During 2012, Depaul USA entered into a 10 year franchise agreement. Management does not believe an impairment exists as at 31 December 2016.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

16. TANGIBLE FIXED ASSETS

| Group | Freehold property £000 | L/Term Leasehold Property £000 | Motor vehicles £000 | Fixtures & fittings £000 | Total £000 |
|----------------------------|---------------------------------------|---------------------------------------------------|------------------------------------|---------------------------------------------|-----------------------|
| Cost or valuation | | | | | |
| At 1 January 2016 | 5,208 | 1,154 | 131 | 319 | 6,812 |
| Additions | 170 | 582 | 23 | 72 | 847 |
| Disposals | - | - | - | (40) | (40) |
| At 31 December 2016 | <u>5,378</u> | <u>1,736</u> | <u>154</u> | <u>351</u> | <u>7,619</u> |
| Depreciation | | | | | |
| At 1 January 2016 | 30 | 90 | 75 | 255 | 450 |
| Charge for the year | 136 | 55 | 26 | 40 | 257 |
| On disposals | - | - | - | (40) | (40) |
| At 31 December 2016 | <u>166</u> | <u>145</u> | <u>101</u> | <u>255</u> | <u>667</u> |
| Net book value | | | | | |
| At 31 December 2016 | <u>5,212</u> | <u>1,591</u> | <u>53</u> | <u>96</u> | <u>6,952</u> |
| <i>At 31 December 2015</i> | <u>5,178</u> | <u>1,064</u> | <u>56</u> | <u>64</u> | <u>6,362</u> |

17. PROGRAMME RELATED INVESTMENTS

| | |
|----------------------------------------|-------------|
| Group | £000 |
| Market value | |
| At 1 January 2016 and 31 December 2016 | <u>47</u> |
| <i>At 31 December 2015</i> | <u>47</u> |

Programme related investments are recognised at amortised cost.

During the year ended 31 March 1999 Depaul UK contributed £47,000 towards the refurbishment of properties in Newcastle owned by Home Housing and occupied by the Simonside project which Depaul UK manages and funds. Depaul UK has a legal charge on the building and, in the event of the termination of the project, will recover either the amount of £47,000 or 20% of the proceeds from a sale of the property, whichever is higher.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

18. STOCKS

| | Group | | Charity | |
|---------------|--------------|-------------|----------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | £000 | £000 | £000 | £000 |
| Raw materials | 4 | 3 | - | - |

19. DEBTORS

| | Group | | Charity | |
|-------------------------------------|--------------|-------------|----------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | £000 | £000 | £000 | £000 |
| Due after more than one year | | | | |
| Other debtors | 5 | 121 | - | - |

| | Group | | Charity | |
|------------------------------------|--------------|--------------|----------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | £000 | £000 | £000 | £000 |
| Due within one year | | | | |
| Amounts owed by group undertakings | - | - | 39 | 107 |
| Other debtors | 32 | 32 | - | - |
| Sundry debtors and prepayments | 1,081 | 1,199 | 37 | 4 |
| Government Grants Receivable | 1,391 | 2,206 | - | - |
| | 2,504 | 3,437 | 76 | 111 |

20. CURRENT ASSET INVESTMENTS

| | Group | |
|--------------------|--------------|-------------|
| | 2016 | 2015 |
| | £000 | £000 |
| Quoted investments | 95 | 26 |

Group listed investments

The market value of the listed investments at 31 December 2016 was £95,000 (2015: £26,000).

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

21. CREDITORS:

Amounts falling due within one year

| | Group | | Charity | |
|------------------------------------|--------------|--------------|----------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | £000 | £000 | £000 | £000 |
| Other loans | 374 | 371 | - | - |
| Trade creditors | 1,042 | 719 | 6 | 3 |
| Other taxation and social security | 206 | 316 | 8 | 9 |
| Deferred income | 841 | 1,007 | 2 | - |
| Sundry creditors and accruals | 719 | 1,176 | 45 | 13 |
| | 3,182 | 3,589 | 61 | 25 |

The loans comprise:

Depaul USA took out the following loans to improve liquidity.

- A line of credit of \$50,000 (£41,000) with an interest rate of the greater of 4% or prime plus 3.5% (the prime rate was 3.75% at 31 December 2016) due on demand and secured by all the assets. The line had a £34,000 balance as of 31 December 2016 (2015: £26,000).
- A note payable from the Congregation of the Mission to Depaul USA of \$75,000 (£61,000) is non-interest bearing, secured by assets and repayment of the principal balance and was repaid in February 2017.
- A note payable from the State Bank to Depaul USA of \$75,000 (£61,000) with an interest rate of 2.3%, collateralised by a certificate of deposit owned by the Chair of Depaul USA. The principal is due in June 2017.
- A note payable from the Daughters of Charity to Depaul USA of \$150,000 (£101,000) was repaid in full in January 2016. The note was non-interest bearing and secured by assets.

Depaul France

- A note payable from the Daughters of Charity to Depaul France of up to €480,000 for the refurbishment of Perichaux building in Paris. The note is non-interest bearing, secured by the building and repayable on 31 December 2017. The balance owed at 31 December 2016 was €245,000 (£210,000). (£2015: 236,000).

Deferred income

| | 2016 |
|--------------------------------------------|--------------|
| | £000 |
| Deferred income at 1 January 2016 | 1,007 |
| Resources deferred during the year | 865 |
| Amounts released from previous years | (1,059) |
| Currency translation differences | 28 |
| Deferred income at 31 December 2016 | 841 |

Income is deferred where there are outstanding performance conditions that are required to be met before the charity is entitled to recognise income received or where time restrictions on the use of monies have been imposed by the funder.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

22. CREDITORS:

Amounts falling due after more than one year

| | 2016 | Group |
|------------------------------|--------------|--------------|
| | £000 | 2015 |
| | | £000 |
| Other loans | 1,957 | 1,136 |
| Trade creditors | 52 | - |
| Accruals and deferred income | 29 | 43 |
| | <u>2,038</u> | <u>1,179</u> |

Included within the above are amounts falling due as follows:

| | 2016 | Group |
|-----------------------------------|--------------|--------------|
| | £000 | 2015 |
| | | £000 |
| Between two and five years | | |
| Other loans | 83 | - |
| | <u>83</u> | <u>-</u> |
| Over five years | | |
| Other loans | 1,874 | 1,136 |
| | <u>1,874</u> | <u>1,136</u> |

Creditors include amounts not wholly repayable within 5 years as follows:

| | 2016 | Group |
|--------------------------|--------------|--------------|
| | £000 | 2015 |
| | | £000 |
| Repayable by instalments | 1,920 | 1,136 |
| | <u>1,920</u> | <u>1,136</u> |

In 2015, Depaul USA entered into an agreement with the Philadelphia Redevelopment Authority (PRA) to provide permanent supportive housing for homeless residents. This programme was funded by the Department for Housing and Urban Development (HUD) and shall bear no interest for a term of thirty years. Beginning on the 26th annual anniversary of the loan closing and for each successive annual anniversary until the end of the term of the loan, the principal balance shall be reduced without any payment by an amount equal to 20% of the original principle amount of \$2,080,000 (£1,687,000). This agreement included funding of approximately \$147,000 (£109,000) for developer fees. Although these fees have been earned by the organisation, recognition of income will be deferred in conjunction with the HUD loan agreement.

During the year, Depaul UK entered into a loan arrangement with London Housing Foundation. This loan is repayable on semi-annual installments from 30 June 2018. Interest is charged at 4% per annum. The above loan is secured against 10 St Stephens Crescent, a property owned by Depaul UK.

The deferred income relates to income from Supporting People in Depaul Ireland. Each year £14k of funds are released over a 10 year period. These funds were received at the start of the projects.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

23. STATEMENT OF FUNDS

| | Brought forward £000 | Income £000 | Resources expended £000 | Transfers in/out £000 | Gains/ (losses) £000 | Carried forward £000 |
|----------------------------------------------------------------------------------|----------------------------|----------------|-------------------------------|-----------------------------|----------------------------|----------------------------|
| Designated funds | | | | | | |
| Depaul International | | | | | | |
| Slovensko* | 12 | - | - | - | - | 12 |
| France* | 19 | - | - | (19) | - | - |
| Ukraine* | 23 | - | - | - | - | 23 |
| Contingency fund | 36 | - | - | - | - | 36 |
| C Leeming fund^ | 33 | - | - | (1) | - | 32 |
| Exchange rate differences | - | - | - | 16 | - | 16 |
| Unrestricted cap. funds and long term liabilities retained in | | | | | | |
| UK | 2,738 | - | - | (41) | - | 2,697 |
| France | 118 | - | - | (7) | - | 111 |
| Slovensko capital | 604 | - | - | 24 | - | 628 |
| Slovensko LT liab. | - | - | - | (41) | - | (41) |
| Unrestricted revenue funds retained in* | | | | | | |
| UK | 1,669 | 10,501 | (10,405) | (38) | 2 | 1,729 |
| Ireland | 859 | 1,025 | (986) | - | 138 | 1,036 |
| Northern Ireland | 415 | 737 | (589) | - | - | 563 |
| Slovenkso | 74 | 193 | (239) | 23 | (49) | 2 |
| Ukraine | 4 | 1 | - | - | 1 | 6 |
| France | 93 | 154 | (124) | 7 | (20) | 110 |
| USA | 756 | 921 | (1,075) | 8 | (266) | 344 |
| Intra-company transfers~ | - | (60) | 138 | (84) | 6 | - |
| | <u>7,453</u> | <u>13,472</u> | <u>(13,280)</u> | <u>(153)</u> | <u>(188)</u> | <u>7,304</u> |
| General funds | | | | | | |
| General Funds | 160 | 604 | (616) | 4 | 14 | 166 |
| Intra-company transfers~ | - | (305) | 163 | 142 | - | - |
| | <u>160</u> | <u>299</u> | <u>(453)</u> | <u>146</u> | <u>14</u> | <u>166</u> |
| Total Unrestricted funds | <u>7,613</u> | <u>13,771</u> | <u>(13,733)</u> | <u>(7)</u> | <u>(174)</u> | <u>7,470</u> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

23. STATEMENT OF FUNDS (continued)

Restricted funds

Depaul

International

| | | | | | | |
|------------------------------|--------------|---------------|-----------------|----------|------------|--------------|
| Slovensko | 21 | 2 | (2) | - | 1 | 22 |
| Ukraine | 23 | 164 | (179) | - | 1 | 9 |
| Ireland | - | 7 | (7) | - | - | - |
| France | - | 1 | - | - | - | 1 |
| IGH | 24 | 68 | (74) | - | - | 18 |
| Vincentian Values | 1 | 7 | (8) | - | - | - |
| UK | - | 1 | (1) | - | - | - |
| Restricted funds retained in | | | | | | |
| UK | 269 | 2,010 | (1,572) | 79 | 4 | 790 |
| Ireland | 400 | 7,138 | (7,368) | - | 64 | 234 |
| Northern Ireland | 359 | 2,446 | (2,318) | - | - | 487 |
| Slovensko | 69 | 420 | (506) | (6) | 60 | 37 |
| France | - | 12 | (8) | - | - | 4 |
| Ukraine | 34 | 239 | (255) | - | (1) | 17 |
| USA | 549 | 1,805 | (1,981) | (8) | 92 | 457 |
| Intra-company transfers~ | - | (235) | 293 | (58) | - | - |
| | <u>1,749</u> | <u>14,085</u> | <u>(13,986)</u> | <u>7</u> | <u>221</u> | <u>2,076</u> |
| Total of funds | <u>9,362</u> | <u>27,856</u> | <u>(27,719)</u> | <u>-</u> | <u>47</u> | <u>9,546</u> |

IGH = Institute of Global Homelessness

The restricted funds represent the aggregate of restricted income, expenditure and funds in each of the Depaul organisations for projects where donors have specified how the funds are to be used.

~ The intra-company transfers comprise group subscriptions from the subsidiaries, net of the UK management recharge, grants to subsidiaries and transfers between funds which are eliminated on consolidation.

* These are general funds designated to be spent in specific subsidiaries.

^ The Charles Leeming Legacy will be used over the next four years, as required. It is available to support cross-cultural learning across the group.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

SUMMARY OF FUNDS

| | Brought forward £000 | Income £000 | Resources expended £000 | Transfers in/out £000 | Gains/ (losses) £000 | Carried forward £000 |
|------------------|-------------------------------------|------------------------|----------------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|
| Designated funds | 7,453 | 13,472 | (13,280) | (153) | (188) | 7,304 |
| General funds | 160 | 299 | (453) | 146 | 14 | 166 |
| | <u>7,613</u> | <u>13,771</u> | <u>(13,733)</u> | <u>(7)</u> | <u>(174)</u> | <u>7,470</u> |
| Restricted funds | 1,749 | 14,085 | (13,986) | 7 | 221 | 2,076 |
| | <u>9,362</u> | <u>27,856</u> | <u>(27,719)</u> | <u>-</u> | <u>47</u> | <u>9,546</u> |

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted funds 2016 £000 | Unrestricted funds 2016 £000 | Total funds 2016 £000 | Total funds 2015 £000 |
|-------------------------------------|-----------------------------------------------|-------------------------------------------------|------------------------------------------|------------------------------------------|
| Intangible fixed assets | - | 17 | 17 | 20 |
| Tangible fixed assets | 1,702 | 5,250 | 6,952 | 6,362 |
| Programme related investments | - | 47 | 47 | 47 |
| Debtors due after more than 1 year | - | 5 | 5 | 121 |
| Current assets | 2,055 | 5,690 | 7,745 | 7,580 |
| Creditors due within one year | (3) | (3,179) | (3,182) | (3,589) |
| Creditors due in more than one year | (1,687) | (351) | (2,038) | (1,179) |
| | <u>2,076</u> | <u>7,470</u> | <u>9,546</u> | <u>9,362</u> |

**25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

| | 2016 £000 | 2015 £000 |
|--------------------------------------------------------------------|----------------------|----------------------|
| Net income for the year (as per Statement of Financial Activities) | 143 | 631 |
| Adjustment for: | | |
| Depreciation charges | 257 | 85 |
| Amortisation | 3 | 1 |
| Dividends, interest and rents from investments | 8 | 7 |
| Currency translation differences | 41 | (120) |
| Increase in stocks | (1) | (1) |
| Decrease/(increase) in debtors | 1,049 | (466) |
| (Decrease)/increase in creditors | (372) | 187 |
| Net cash provided by operating activities | <u>1,128</u> | <u>324</u> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2016 | 2015 |
|---------------------------|--------------|--------------|
| | £000 | £000 |
| Cash in hand | 5,142 | 4,114 |
| Current asset investments | 95 | 26 |
| Total | 5,237 | 4,140 |

27. CAPITAL COMMITMENTS

At 31 December 2016 the group and charity had capital commitments as follows:

| | Group | | Charity | |
|---------------------------------------------------------------|--------------|-------------|----------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | £000 | £000 | £000 | £000 |
| Contracted for but not provided in these financial statements | 253 | - | - | - |

These capital commitments are contracted for by Depaul UK.

28. PENSION COMMITMENTS

Depaul International, Depaul UK and Depaul Ireland operate defined contributions pensions schemes. The Depaul International scheme is managed within the Depaul UK scheme. The assets of the schemes are held separately from those of the Depaul Group in independently administered funds. The pension cost charges represent contributions payable by these organisations to each fund and amounted to £383,000 (2015: £302,000). Contributions totalling £48,000 (2015: £40,000) were payable to the funds at the balance sheet date and are included in creditors.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

29. OPERATING LEASE COMMITMENTS

Land and buildings

| | 2016 £000 | <i>2015</i> <i>£000</i> |
|-------------------------|----------------------------|----------------------------|
| Group | | |
| Expiry date | | |
| Within 1 year | 316 | 733 |
| Between 1 and 5 years | 1,354 | 1,232 |
| After more than 5 years | 351 | 168 |
| | <hr/> | <hr/> |
| Total | 2,021 | 2,133 |
| | <hr/> | <hr/> |

Depaul USA leases its Germantown building on a month-to month lease agreement requiring monthly payments. The rent relating to this operating lease in the year was \$66,000 (£40,000) (2015: \$66,000 and £49,000).

The organisation also entered into a 99 year capital lease in December 2014 for property located in Philadelphia. The lessor was paid \$500,000 (£303,000) and the cost for the lease has been included in the cost of the building.

30. OTHER FINANCIAL COMMITMENTS

On 30 April 2012, Depaul USA entered into a 10 year franchise agreement. Under the agreement 15% of trading revenue is payable to the franchisor for management services and royalties.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

31. PRINCIPAL SUBSIDIARIES AND THEIR RESULTS

Depaul International was incorporated on 29 September 2004 to create a group structure to provide a focus of unity, stability and continuity to enable the existing Depaul subsidiaries at that time to grow and develop, to extend the work of the Depaul Group outside the UK and Ireland by setting up new subsidiaries, and to ensure that the shared Vincentian ethos of the organisation was maintained throughout the organisation, especially as it developed and expanded its work into new countries.

Depaul International is the parent company of:

Depaul UK, a company incorporated in England and Wales limited by guarantee (no. 2440093) and registered as a charity by the Charity Commission for England and Wales (no. 802384) *and its wholly owned subsidiaries Depaul UK Trading CIC and Depaul Housing Services. During the year, Safe@Last and its subsidiary Weekend@Last became subsidiaries of Depaul UK on 3rd October 2016. On that day the trade and assets transferred to Depaul UK and both subsidiaries became dormant.*

Depaul Ireland, a company incorporated in Ireland with limited liability (no. 357828) and also recognised in Ireland as a charity and its wholly owned subsidiary Depaul Northern Ireland, a company incorporated in Northern Ireland limited by guarantee (no. 054106) and registered as a charity by the Charity Commission for Northern Ireland (no. 102995). Depaul Housing Association was registered as a company incorporated in Ireland with limited liability (no. 590529) as a subsidiary of Depaul Ireland on 4th October 2016.

Depaul Slovenko, a legal entity established as non-profit organisation under the laws of the Slovak Republic and recognised as having charitable status (no. 37924443).

Depaul Ukraine, a Ukrainian charitable organisation incorporated under the Constitution of Ukraine in accordance with the law of Ukraine on 'Charity and Charitable Organisations (no. 35119436). Branches are registered in Kharkiv, Odesa, Snyatin and Kiev.

Depaul USA, a not-for-profit organisation incorporated in the State of Delaware with limited liability and recognised by the Internal Revenue Service as having Charitable Status (no.6605030) *and its wholly owned subsidiaries Immaculate Cleaning Services LLC, Marillac Properties LLC, Depaul USA Thrift LLC and Depaul USA Realty LLC.*

Depaul France, a company incorporated in France (no. 799 505 813 00011 9499Z) and charitable organisation incorporated under French Law as a loi 1901 (no: W751220144), and

Depaul Group Trading Limited, a company incorporated in England and Wales limited by shares (no. 9408970) is dormant.

The subsidiaries in italics are not material to the Depaul Group.

The structure forms a group, as each of the parent companies have the power to appoint all or a majority of Trustees to the Board of Trustees of their respective subsidiary companies. Depaul International as the ultimate parent has the right to appoint all or the majority of Trustees to each of its direct subsidiaries and to approve all other appointments.

The Institute of Global Homelessness is a jointly controlled operation between Depaul International and DePaul University and has been accounted for as such.

A summary of the results of the members of the Depaul Group for 2016 are on the following page:

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Summary of results of the individual Depaul organisations in the Group for 2016 (£'000)

| | Int'l (entity) | France | Ukraine | Slovensko | USA* | Ireland* | UK* | Intra-group activities | Int'l (Group) 2016 | Int'l (Group) 2015 |
|---------------------------------------|-------------------|------------|------------|------------|--------------|---------------|---------------|---------------------------|--------------------------|--------------------------|
| INCOME FROM | | | | | | | | | | |
| Donations and legacies | 470 | 146 | 12 | 150 | 1,113 | 988 | 2,613 | (8) | 5,484 | 5,397 |
| Charitable activities | 381 | 20 | 228 | 461 | 1,559 | 10,358 | 9,543 | (592) | 21,958 | 19,774 |
| Other incoming resources | 3 | - | - | 2 | 54 | 0 | 355 | - | 414 | 32 |
| | 854 | 166 | 240 | 613 | 2,726 | 11,346 | 12,511 | (600) | 27,866 | 25,203 |
| EXPENDITURE ON | | | | | | | | | | |
| Raising funds | 134 | 22 | - | 32 | 298 | 518 | 801 | (8) | 1,797 | 1,467 |
| Charitable activities | 752 | 110 | 253 | 713 | 2,758 | 10,743 | 11,177 | (586) | 25,920 | 23,105 |
| | 886 | 132 | 253 | 745 | 3,056 | 11,261 | 11,978 | (594) | 27,717 | 24,572 |
| NET INCOME/ EXPENDITURE | (32) | 34 | (13) | (132) | (330) | 85 | 533 | (6) | 139 | 631 |
| Currency translation differences | 15 | (20) | (1) | 11 | (174) | 202 | 6 | 6 | 45 | (120) |
| Total Funds at 1 Jan 2016 | 352 | 211 | 38 | 747 | 1,305 | 2,033 | 4,676 | - | 9,362 | 8,851 |
| Total Funds at 31 Dec 2016 | 335 | 225 | 24 | 626 | 801 | 2,320 | 5,215 | 0 | 9,546 | 9,362 |
| BALANCE SHEET | | | | | | | | | | |
| Fixed Assets | - | 321 | 15 | 653 | 2,023 | 15 | 3,942 | - | 6,969 | 6,429 |
| Current assets | 396 | 134 | 12 | 114 | 769 | 3,481 | 2,934 | (43) | 7,797 | 7,714 |
| Creditors < 1 year | (61) | (230) | (3) | (87) | (304) | (1,147) | (1,391) | 43 | (3,180) | (3,602) |
| Net current assets | 335 | (96) | 9 | 27 | 465 | 2,334 | 1,543 | 0 | 4,617 | 4,112 |
| Total assets less current liabilities | 335 | 225 | 24 | 680 | 2,488 | 2,349 | 5,485 | - | 11,586 | 10,541 |
| Creditors > 1 year | - | - | - | (54) | (1,687) | (29) | (270) | - | (2,040) | (1,179) |
| Net assets | 335 | 225 | 24 | 626 | 801 | 2,320 | 5,215 | 0 | 9,546 | 9,362 |
| Notes | | | | | | | | | | |
| * consolidated | | | | | | | | | | |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

32. RELATED PARTY TRANSACTIONS

We continue to be very grateful to The Daughters of Charity who provide support to the Depaul Group in many ways. A loan was advanced by the Daughters to Depaul France in 2015 to finance the refurbishment of the Perichaux project. The outstanding balance at 31 December 2016 is €245,000 (£210,000) (see Note 20). Some of the Daughters support our projects with their time. Depaul subsidiaries spent £126,000 (2015: £121,000) on salaries to these workers.

Depaul Ireland received donations and funding of £20,000 (2015: £18,000) from the Society of Saint Vincent de Paul during the financial year. A trustee of Depaul International, Laurence Tuomey, is also a trustee of Depaul Ireland and a member of the Society of Saint Vincent de Paul (Back Lane), Ireland.

The Chief Operating Officer of Depaul International, Ian Brady, is also a trustee of London Housing Foundation (LHF). During 2016 LHF made grants to Depaul International of £100,000 (2015: £100,000). In addition Depaul UK secured a loan arrangement with LHF. The outstanding balance at 31 December 2016 was £270,000. (See Note 22.)

The note payable of \$75,000 (£61,000) from the State Bank to Depaul USA was secured by a certificate of deposit owned by the Chair of Depaul USA (see Note 20). The Chair also donated two houses to Depaul USA together valued at £12,000 (See Note 3.).

The Institute of Global Homelessness is a jointly controlled operation of Depaul International and DePaul University. In 2016, Depaul International received a grant of £38,000 (2015: £32,000) from DePaul University.

The aggregate of other donations received by the group from other related parties of Depaul International during 2016 was £58,000 (2015: £23,000). We are also grateful to the Patrons of Depaul International who made further donations of £131,000 (2015: £124,000).

Transactions between Depaul International and its subsidiaries

The Chairs of the subsidiaries are Trustees of Depaul International. The financial statements eliminate the transactions within the Depaul Group. These transactions are listed below:

In 2016, the subsidiaries paid a total of £305,000 (2015: £363,000) in group subscriptions to Depaul International. This covers the running costs of the secretariat.

Depaul International raised funds and made grants to the subsidiaries amounting to £296,000 during 2016 (2015: £254,000).

In 2016, Depaul International paid Depaul UK £19,000 (2015: £16,000) in management charges for rent of office space, Finance, HR and IT support.

The following intra-company balances were owed to Depaul International at 31 December 2016:

| | | |
|----------------|---------|-----------------|
| Depaul USA | £18,000 | (2015: £93,000) |
| Depaul UK | £19,000 | (2015: £4,000) |
| Depaul Ireland | £2,000 | (2015: £10,000) |

The following intra-company balances were owed to Depaul UK at 31 December 2016:

| | | |
|----------------|--------|----------------|
| Depaul Ireland | £4,000 | (2015: £4,000) |
|----------------|--------|----------------|

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

33. PRIOR PERIOD STATEMENT OF FINANCIAL ACTIVITIES

2015 STATEMENT OF FINANCIAL ACTIVITIES

| | Restricted £000 | Unrestricted £000 | 2015 £000 |
|------------------------------------|--------------------|----------------------|--------------|
| INCOME FROM: | | | |
| Donations and legacies | 2,487 | 2,180 | 4,667 |
| Other fundraising events | 1 | 212 | 213 |
| Investments | - | 7 | 7 |
| Charitable activities | 10,161 | 10,132 | 20,293 |
| Other income | 2 | 23 | 25 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL INCOME | 12,649 | 12,554 | 25,203 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURE ON: | | | |
| Raising funds | (153) | (1,314) | (1,467) |
| Charitable activities | (11,502) | (11,603) | (23,105) |
| | <hr/> | <hr/> | <hr/> |
| TOTAL EXPENDITURE | (11,655) | (12,917) | (24,572) |
| | <hr/> | <hr/> | <hr/> |
| Other adjustments | | | |
| Currency translation differences | (35) | (85) | (120) |
| Transfer between funds | (1,977) | 1,977 | - |
| | <hr/> | <hr/> | <hr/> |
| Net movement in funds for the year | (1,018) | 1,529 | 511 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

34. PRIOR YEAR STATEMENT OF FUNDS

| | Brought forward £000 | Incoming resources £000 | Resources expended £000 | Transfers in/out £000 | Gains/ losses £000 | Carried forward £000 |
|-----------------------------------------------|----------------------------|-------------------------------|-------------------------------|-----------------------------|--------------------------|----------------------------|
| Designated funds | | | | | | |
| Funds held by Depaul International: | | | | | | |
| Slovensko | 12 | - | - | - | - | 12 |
| France | - | - | - | 19 | - | 19 |
| Fundraising | 47 | - | - | (47) | - | - |
| Contingency | 36 | - | - | - | - | 36 |
| C Leeming | 33 | - | - | - | - | 33 |
| Ukraine | 23 | - | - | - | - | 23 |
| Capital funds held by UK | 2,757 | - | - | (19) | - | 2,738 |
| Revenue funds retained in subsidiaries: | | | | | | |
| UK | 1,618 | 9,894 | (10,173) | 330 | - | 1,669 |
| Ireland | 537 | 656 | (753) | 449 | (30) | 859 |
| N. Ireland | 498 | 655 | (620) | (118) | - | 415 |
| Slovensko | 95 | 244 | (179) | 513 | 5 | 678 |
| Ukraine | 4 | 1 | - | - | (1) | 4 |
| France | 6 | 85 | (76) | 196 | - | 211 |
| USA | 266 | 860 | (781) | 469 | (58) | 756 |
| Intra-company transfers | - | (80) | 169 | (88) | (1) | - |
| Sub total | 5,932 | 12,315 | (12,413) | 1,704 | (85) | 7,453 |
| General funds | | | | | | |
| General funds | 152 | 602 | (622) | 28 | - | 160 |
| Intra-company transfers | - | (363) | 118 | 245 | - | - |
| Total Unrestricted funds | 6,084 | 12,554 | (12,917) | 1,977 | (85) | 7,613 |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Restricted Funds

| | Brought forward £000 | Incoming resources £000 | Resources expended £000 | Tranfers in/out £000 | Gains/ losses £000 | Carried forward £000 |
|---------------------------------------|-------------------------------------|----------------------------------------|----------------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|
| Funds held in | | | | | | |
| Depaul | | | | | | |
| International: | | | | | | |
| Slovenkso | 14 | 9 | (2) | - | - | 21 |
| Ukraine | 24 | 107 | (108) | - | - | 23 |
| France | 10 | 16 | (25) | - | - | 1 |
| IGH | 45 | 32 | (53) | - | - | 24 |
| Fundraising | - | 52 | (52) | - | - | - |
| Core costs | - | 23 | (23) | - | - | - |
| Funds retained in subsidiaries: | | | | | | |
| UK | 450 | 1,626 | (1,496) | (311) | - | 269 |
| Ireland | 400 | 5,942 | (5,942) | - | - | 400 |
| N Ireland | 509 | 2,508 | (2,327) | (331) | - | 359 |
| Slovensko | 417 | 578 | (376) | (513) | (37) | 69 |
| France | 32 | 179 | (12) | (196) | (3) | - |
| Ukraine | 15 | 177 | (157) | - | (1) | 34 |
| USA | 795 | 1,597 | (1,413) | (469) | 39 | 549 |
| Intra-company transfers | 20 | (197) | 331 | (157) | 3 | - |
| Total | 2,731 | 12,649 | (11,655) | (1,977) | 1 | 1,749 |

For explanations of funds please see Note 23.

35. PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted funds £'000 | Unrestricted funds £000 | 2015 £000 |
|--------------------------------------|---------------------------------------|----------------------------------------|----------------------|
| Tangible fixed assets | 1,129 | 5,233 | 6,362 |
| Intangible fixed assets | - | 20 | 20 |
| Programme related investments | - | 47 | 47 |
| Debtors due after more than one year | - | 121 | 121 |
| Current assets | 1,749 | 5,831 | 7,580 |
| Creditors due within one year | - | (3,589) | (3,589) |
| Creditors due in more than one year | (1,129) | (50) | (1,179) |
| Total | 1,749 | 7,613 | 9,362 |

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2016**

During the year, Depaul International implemented the actions arising from its Governance Review. The Governance of Depaul International has moved to an Assembly model with a smaller Board. Some of the trustees resigned to achieve the desired make-up of the Board. Their contributions have been invaluable.

Trustees

Chair
John Darley^{1,2}
Treasurer
Patrick Litton^{1,2}

Subscribing members
Timothy Haigh (resigned 1 February 2017)^{1,2}

Appointed members from other branches of the Vincentian Family
Anne Sturm, representing the Executive Board of AIC (Association Internationale des Charites) (resigned 1 February 2017)
Sister Margaret Barrett DC, representing the Daughters of Charity of Saint Vincent de Paul
Father J Patrick Murphy CM, representing the Congregation of the Mission
Bernard O'Reilly, representing the Society of Saint Vincent de Paul (resigned 30 June 2016)
Adrian Abel, representing the Society of Saint Vincent de Paul (appointed 26 January 2017)

Appointed Chairs from national subsidiaries
Suzanne McCarthy, Depaul UK (resigned 1 February 2017)
Timothy Frank Allen, Depaul Ireland (resigned 1 February 2017)²
Martin Miller, Depaul Slovenkso (resigned 30 June 2016)
Father Vitaliy Novak CM, Depaul Ukraine, representing Depaul subsidiaries
Kay Gerhardt, Depaul USA, representing Depaul subsidiaries
Frederic Yeterian, Depaul France (resigned 1 February 2017)

Independent members
Dame Louise Casey CB²
Christopher Dick (resigned 1 February 2017)⁴
Patricia Jones (appointed 26 January 2017)
Heidi Kruitwagen^{2,4}
Sally Roe
Laurence Tuomey (resigned 1 February 2017)³

Finance committee members who are not Trustees of Depaul International
Matthew McKenna¹
Timothy Haigh¹

- ¹ Member of Finance Committee
- ² Member of Remuneration Committee
- ³ Laurence Tuomey was also a trustee of Depaul Ireland
- ⁴ Director of Depaul Group Trading

On 1st February 2017 Tim Haigh and Frank Allen resigned from the Remuneration Committee and as Trustees; Tim Haigh resigned as Trustee but remains on the Finance Committee; and Christopher Dick resigned as Trustee but remains a Director of Depaul Group Trading. On 29th March 2017 Dame Louise Casey CB and Heidi Kruitwagen were appointed to the Remuneration Committee.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Advisers (continued)

| | |
|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company registered number | 5245818 |
| Charity registered number | 1107385 |
| Registered and principal office | St Vincent's Centre Carlisle Place London SW1P 1NL |
| Company secretary | Mark McGreevy, OBE (resigned 20 January 2016) Rosslyn Avery, FCA (appointed 20 January 2016) |
| Group Chief Executive Officer | Mark McGreevy, OBE |
| Depaul International Key management personnel | Mark McGreevy, OBE, Group Chief Executive Officer Ian Brady, Group Chief Operations Officer from 1 January 2016 Rosslyn Avery, FCA, Group Finance Director Jason Eades, Senior Partnerships Manager |
| Independent auditor | Crowe Clark Whitehill St Bride's House 10 Salisbury Square London EC4Y 8EH |
| Bankers | Barclays Bank PLC 1 Churchill Place London E14 5HP |
| Solicitors | Freshfields Bruckhaus Deringer 65 Fleet Street London EC4Y 1HS |