

Registered number: 5245818
Charity number: 1107385

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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**STATEMENT OF THE CHAIR AND GROUP CHIEF EXECUTIVE
FOR THE YEAR ENDED 31 DECEMBER 2017**

The work of the Depaul Group to address the plight of homeless people around the world accomplished a step change in both activity and intent during the past year.

Our experience on the ground shows homelessness to be increasing in each of the countries where we work, and our subsidiaries have all responded accordingly. Urgent need was experienced in both the Republic of Ireland and Ukraine, especially during the winter months, and major new activities were also introduced in the UK, the USA, Slovakia and France. In addition, the Board agreed to a new subsidiary Depaul Croatia (known locally as Depaul Hrvatska), which supports the homeless people of Rijeka. This was formally brought into the Depaul Group in April 2018.

Complementing the activities of the Depaul subsidiaries in each of those countries, the work of the Institute of Global Homelessness (a partnership between Depaul International and DePaul University in Chicago) moved to new levels in 2017 with the roll-out of its "A Place to Call Home" initiative. The IGH will work with strategic partners to support 150 cities across five continents with the aim to end street homelessness by 2030. Initially, a small group of vanguard cities are working toward goals related to ending street homelessness by 2020.

A further opportunity to leverage the experience and capability of the Depaul Group was opened up in 2017 as Depaul International took on a role to support the global Vincentian Family¹ in their pursuit of a step-change in their own capacity to respond to global homelessness. The "Famvin Homeless Alliance" will see the worldwide branches of the Vincentian Family coming together in a collaborative endeavour to harness and deploy their current capabilities even more effectively in the service of the poor and homeless. Depaul International is privileged to be invited to play a role in this tremendous initiative.

As ever, we remain indebted to very many individuals and organisations who have supported our work over the past year, including the partners with whom we work and the generous donors and funders who make our work possible. This generosity enabled the Depaul Group to deploy some £34 million in 2017 reaching over 21,000 homeless men and women.

Finally, as Chair and Group CEO, we want to recognise and thank our staff and volunteers across the Depaul Group. The real message of Depaul is to be found in the care, support and encouragement which we bring to each person who comes to our door. We are hugely grateful to our staff, volunteers and trustees for their continued commitment and service to those most in need.



John Darley and Mark McGreevy
Chair of Trustees and Group Chief Executive

Date 27 June 2018

1. The Vincentian Family is the world-wide movement of religious and lay organisations following the spiritual values espoused by St Vincent de Paul in the 17th Century. The Family comprises some 300 organisations and 2 million members seeking to work in collaboration to effect systemic changes in the lives of the poorest people around the world.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017 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. From 2018, Depaul will have projects in Croatia.

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.

Our Structure

We operate through our six local subsidiaries, full details of which are set out at Note 31.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Strategies for Achieving Objectives

Depaul International has been working to achieve four strategic goals during 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 business model which underpins the 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 19.

Chantelle has been at Depaul UK's Simonside supported accommodation project in Newcastle for the past few years. With Depaul's support, she has secured a job and will move into independent living this year. She tells her story in this poem:

There once was a girl,
Sad and unhappy,
Broken from the soul,
With nowhere to go,
Abused by many,
Day by day,
Scarring her body,
To take the pain away,

There once was a girl,
Bringing up her brothers,
With no one to help,
Taking away their pain,
She got it all,
Silently praying she could take her life away,

Moving away,
Was the choice she made,
Broken and afraid,
Still scarring her body,
No words were spoken,
Eyes fixed to the ground,

Hiding her face so no one could see,
There once was a girl,

Simonside is where she was meant to be,
Taking each day as it comes,
Gradually building trust,
With a glimmer of hope,

Simonside is where she was meant to be,
Meeting new people everyday,
A dysfunctional family it may be,
Keyworkers just as crazy,
But she wouldn't have it any other way,
A while later she stopped scarring her body,
And trying to end her life,

She felt safe,
Being at Simonside helped her be who she was meant
to be,
That person you see, she was me.

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TRUSTEES' REPORT (continued)
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How our activities deliver public benefit

The Trustees have considered the Charity Commission's guidance which sets out the requirements for charities to demonstrate that their aims and activities are for public benefit. This report highlights examples of the Depaul Group's activities across the world which illustrate how our work fulfills its mission and the significant benefits it brings to a wide range of people; which includes 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.

ACHIEVEMENTS AND PERFORMANCE

Who used and benefited from our services?

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 2017 the Depaul Group provided over **687,000 meals** (2016: 600,000) 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 up to **2,200 people** (2016: 1,800) each day in both crisis and long-term services. This represents a 120% increase on our baseline figure of 1,000 people at the commencement of our strategic planning cycle in 2015. In total, Depaul provided over **811,000 bedspaces** (2016: 650,000) 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.

Olga is a Depaul Ukraine client who used the Legal service. All her life she worked in low-paid jobs but after divorce she lost her apartment and found herself homeless. To make matters worse, she had lost her documentation. Olga turned to Depaul for help in her passport restoration. Our lawyers worked tirelessly and, eventually, she received a new passport. In December 2017 Olga asked for further documents to be recovered. Now, with all documents restored, Olga receives disability and social payments. Olga is an artist and deeply religious person. She tells us that her faith gives her strength to carry on in the face of despair and difficulty.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Our progress against our goals set for 2015-17 and Future plans for 2018-2010

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 against goals set for 2015-2017	New goals for 2018-2020
<p>1 Crisis response 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>We provided meals as follows: Baseline in 2014: 400,000 meals. 2015: 490,000 meals - 23% increase. 2016: 600,000 meals - 22% increase on 2015. 2017: 687,000 meals - 14% increase on 2016.</p> <p>Our target was to increase by 15% each year by the end of 2017 which we have met. Across the Group we have increased access to hygiene services, primary health care and temporary accommodation.</p>	<p>We will aim to increase the number of meals provided to 690,000 by 2020. This is an increase of 15% on 2016.</p>
<p>2 Achieving and sustaining a home through supported accommodation and other services.</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><i>Note: the bedspaces KPI includes both short-term and long-term accommodation.</i></p>	<p>Our target was to build from our baseline in 2014 by 15% over the three years of the plan.</p> <p>Baseline: 1,000 bedspaces 2015: 1,500 bedspaces - 50% increase 2016: 1,800 bedspaces - 20% increase on 2015 2017: 2,200 bedspaces - 22% increase on 2016</p>	<p>In 2016 we provided 1,800 bedspaces. Our aim is to provide homeless and vulnerable people with accommodation and increase this by 15% by 2020. We will ensure we maximise occupancy across all our projects with our aim to have average occupancy levels of 90% in all our residential projects – both crisis and longer term.</p>

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TRUSTEES' REPORT (continued)
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Goal One continued:

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>2 Achieving and sustaining a home through supported accommodation and other services (continued).</p> <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 and hospitals.</p>	<p>Our data collection systems needs more work to evidence our accommodation and prevention projects are successful with 75% of clients across the group.</p> <p>However we can show this for projects at local level.</p> <ul style="list-style-type: none"> • Of all the move-ons from the supported accommodation projects run by Depaul UK, 77% were positive – exceeding our target. • In 2017, Depaul Ireland helped some 593 individuals move from sleeping rough into more permanent accommodation through the Assertive Engagement programme in our Dublin Emergency Shelters. • In 2017, 68% of homeless young people who used Depaul’s preventive emergency accommodation network Nightstop UK moved on in a positive way. This is especially impressive considering these young people come to us in crisis situations. 	<p>We will continue to work with vulnerable and at risk groups to prevent homelessness, including responding to specific needs, such as for support on release from prison and hospitals.</p> <p>We will seek to better understand the effectiveness of our current prevention projects and develop appropriate measures in this area.</p>

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TRUSTEES' REPORT (continued)
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Goal One continued :

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>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.</p>	<p>Our three year target was 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. This is another area where we have been unable to develop group-wide figures. However,</p> <ul style="list-style-type: none"> • At Depaul France, some 95% of clients who attended our Perichaux daycentre in Paris received hygiene support – significantly exceeding our target. • In 2017, Depaul Ukraine increased the number of homeless people helped by our Hospital services by some 35%. • At Depaul Slovakia, 38% of residents at our St Louise medical rehabilitation shelter achieved a positive move-on into permanent accommodation in 2017. This is remarkable for such an extremely high-need client group. 	<p>These goals are being set locally by subsidiaries for 2018-2020.</p>

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TRUSTEES' REPORT (continued)
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Goal One continued :

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>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.</p>	<p>We 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 across our subsidiaries as shown below:</p> <ul style="list-style-type: none"> • At Depaul USA's new Dax House for homeless DePaul University students, 87% of residents remained in education or graduated as a result of the stable accommodation and support offered at the innovative Chicago-based project. • Some 80% of residents at Depaul Ukraine's new Kharkiv Shelter found employment or were assisted with obtaining a pension. • At Depaul UK, 91% of service users with an expressed need made good progress towards education, employment or training in 2017. 	<p>These goals are being set locally by subsidiaries for 2018-2020.</p>

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TRUSTEES' REPORT (continued)
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Goal Two: We will work to end homelessness through advocacy for change in systems and policies.

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>1 Engaging in advocacy 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>From 2015-2017 we provided a voice for homeless people based on our frontline work: Depaul Ukraine participated in the UN-led review of services for victims of violence. Depaul Slovakia continued to advocate for the homeless population, resulting in a new 'Strategy for Dealing with the Problem of Homeless People in Bratislava for 2016-2021'. Depaul Ireland made representations on homelessness to Parliament in both jurisdictions and organised a successful Begging for Change campaign in Belfast. Depaul UK took part in a sector judicial review of Government's Universal Credit and its impact on young homeless and published 'Danger Zones and Stepping Stones: Young people's experiences of hidden homelessness'. Depaul France ran two public campaigns, with Publicis, to raise awareness and change public attitudes to street homeless people.</p>	<p>Each subsidiary will develop and implement an advocacy strategy for policy or practice that improves the lives of homeless and vulnerable people.</p>

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TRUSTEES' REPORT (continued)
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Goal Two (continued):

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>2 Working in partnership with the Institute of Global Homelessness (IGH) 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>DPI took part in the inaugural conference on homelessness in Chicago in June 2015, organised by IGH, which including worked towards agreement of a global definition of homelessness for the purposes of doing a global count.</p> <p>The 'Place to Call Home' global campaign which aims to end homelessness in 150 cities by 2030 was launched in 2016. This work is starting in vanguard cities and includes cities where Depaul provides services.</p> <p>The pilot of IGH's first emerging leaders programme for the global homelessness sector included two senior managers from Depaul Slovakia.</p>	<p>We will continue to develop our close relationship with IGH and alongside our support for the delivery of the Famvin Homeless Alliance (FHA); these will be our two advocacy partnerships. We will seek opportunities for active collaboration.</p> <p>We will support IGH in delivering their target to end street homelessness in 150 cities by 2030.</p> <p>We will look to each subsidiary to work with the Vincentian Family on collaborative services in-country.</p> <p>We will work with the FHA to develop resources to support partners within the FHA.</p>

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

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>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.</p>	<p>New governance arrangements and a new Group Agreement were in place by 1st February 2017, as planned. The first Depaul Group Assembly and International Board met under the new arrangements in March 2017.</p>	
<p>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.</p>	<p>Our target is to increase voluntary income raised within the Group by at least 10% each year. 2015: +10% 2016: +12% 2017: +22%</p> <p>In 2015 the Board decided not to continue with the integrated fundraising strategy and move to a more devolved approach to fundraising. We developed 'Dinners for Depaul' which is a fundraising tool that has been used across the group. In 2017 the Depaul Group came together to raise funds for a building in Odessa, Ukraine for internally displaced people as part of celebrating 400 years of the Vincentian charism.</p>	<p>We will raise funds necessary to support DPI and any agreed growth.</p> <p>We will aim for a target of 23% growth in total income for the three years to 2020 excluding new subsidiaries.</p> <p>We will aim to raise voluntary income of £7.9m in 2018; £8.5m in 2019 and £9.6m in 2020.</p> <p>We will continue with our hybrid model for fundraising supporting each other across the group to achieve fundraising targets. We will agree appropriate fundraising support with each subsidiary.</p>

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Goal Three (continued):

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>3 Standards and Outcomes</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 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 regularly monitored.</p> <p>Following agreement on an Internal Audit Strategy, work has been done to embed internal audit in each subsidiary.</p> <p>An in-depth review of Safeguarding policies and procedures across the group was completed in 2016. In 2017 an analysis of local staff and volunteer induction policies was completed. Other volunteer policies and procedures are being shared to bring subsidiaries up to a consistent best practice standard in this area.</p> <p>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.</p>	<p>We will continue to use clear frameworks for standards. We will agree a programme of regular reviews of Governance, Finance and Services Standards.</p> <p>We will work with the subsidiaries to develop a Services audit tool in 2018 to sit alongside the Finance and Governance checklists. We will also review our Governance checklist against the new Charity Code on Governance in 2018.</p> <p>We will develop and implement policies and procedures to support compliance with the European 2018 General Data Protection Regulations (GDPR) which will apply to all EU-based Depaul members by May 2018. We will develop a Group GDPR audit tool to ensure ongoing compliance.</p>

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Goal Three (continued):

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>4 Values 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>Each year Vincentian Values courses have been run for staff and trustees from across the group. Depaul USA has developed its own course to reduce travel costs. The Philosophy of Care training resources were piloted with the CEOS, and rolled out to Depaul USA and trainers in the UK and Ireland. Depaul International Week is held annually and promotes local values initiatives.</p>	<p>Vincentian Values training will be offered to staff on a regular basis. A revised model of Values training will be developed and piloted in 2018, including a review of the Philosophy of Care, 'Welcome the Stranger' training. Each subsidiary will continue to be able to share a local initiative to promote values (e.g. staff conference, project activity, innovation).</p>
<p>5 Monitoring and evaluation 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>The 2016 annual report was refocussed around outcomes and impact at a subsidiary level.</p>	<p>In 2018 we will introduce a simplified data collection system and service-based data at subsidiary level. By 2020 we will have supported subsidiaries to develop appropriate local outcome measures. We will look for funding to enable us to undertake evaluations of key projects.</p>
<p>6 Communications (New target for 2018-2020)</p>		<p>As we develop our central communications function in 2018, we will articulate key outcomes in this area and develop targets with Digital Communications staff across the group.</p>

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TRUSTEES' REPORT (continued)
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Goal Four: We will grow the Group at a measured pace.

Objectives	Progress to date against goals set for 2015-2017	New goals for 2018-2020
<p>1 New subsidiaries We will aim to add new subsidiaries to the group.</p>	<p>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 agreed to bring this new organisation into the group in 2017. Legal arrangements were finalised in 2018.</p> <p>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.</p>	<p>We will aim to add new subsidiaries to the group and grow in a measured and sustainable way. This includes considering options for other types of membership such as partnership options and the pathway to membership.</p> <p>We will develop both where there is a need and/or an opportunity to make a difference.</p> <p>We will develop strategic partnerships where we identify other suitable partners to work with.</p>
<p>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.</p>	<p>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.</p>	

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TRUSTEES' REPORT (continued)
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Information on Fundraising Practices

Depaul International and Depaul UK are both voluntary members of the Institute of Fundraising. Depaul International has not contracted the services of professional fundraisers or commercial participators. No complaints have been received by Depaul International about its fundraising activities.

FINANCIAL REVIEW

Review of Results

The financial results of the Depaul Group demonstrate significant growth in 2017. Total expenditure for the group increased by £5.8m (21%) to £33.5m (2016: £27.8m). This growth comes from new services that have been established in Depaul Ireland (a full year of emergency shelters), extra expenditure in Depaul UK (including Nightstop and a full year of spend on Alone in London (see Note 31)), and new accommodation for young people in St Louis in Depaul USA.

This growth in expenditure was mainly funded by an extraordinary increase in overall income; the Depaul Group's income rose by £9.0m (32%) to £36.8m (2016: £27.9m). There has been an increase in both contractual income (22% increase to £26.9m) and voluntary income across the group (35% increase to £7.0m) and significant new income from lotteries in Depaul UK (£2.5m). The surplus for the group for the year was £3.4m (2016: £0.2m). Of this £1.1m relates to a surplus on restricted funds and a surplus of £2.3m on unrestricted funds.

The results for the year to 31 December 2017 are set out in the Consolidated Statement of Financial Activities on page 26 and the financial position at 31 December 2017 is shown in the Balance Sheets on pages 27-28. An analysis of the results by organisation can be found at Note 31.

Depaul International raised total income of £1,259,000 in the year ended 31 December 2017 (2016: £854,000) through voluntary sources. Total expenditure for the year was £1,117,000 (2016: £886,00).

The increase in cash for the group in the year of £2,198,000 (2016: £1,097,000 increase) was mainly due to significant income received in the last quarter of 2017 in Depaul UK for planned spend in future years. See Notes 25 and 26 for more information on cash-flow.

Performance of material fundraising against objectives set

The Board set a fundraising target for the group of £6.6m for donations and income from events for 2017 (2016: £4.7m). 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.

Carida has been given her own apartment by Depaul USA's St Louis permanent supportive housing scheme for long-term homeless men and women with addiction or mental health issues. She has escaped domestic violence and drug addiction: 'Every time I tried to leave and get clean off drugs I'd get out of rehab and I'd be back out on the streets with him and I'd relapse. And the violence and all that – I'd just go back to the same cycle. And I was like, "I'm almost 40, I've got to make a change." So when I walked into my Depaul flat I broke down crying. It was the best day of my life. It's beautiful, it's my own place! I have my own bed! I couldn't stop crying. It's more than just a home, more than just an apartment; it's a chance for an entire life to change. I want to go to college and train to be a nurse, probably in addiction medicine.'

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TRUSTEES' REPORT (continued)
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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.

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 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.

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 Depaul Group holds funds at 31 December 2017 of £12,947,000 (2016: £9,546,000) which are analysed at Note 23.

At 31 December 2017 this comprises £3,199,000 in restricted funds (£174,000 in Depaul International and £3,025,000 in subsidiaries); £9,580,000 in designated funds (£121,000 in Depaul International, £5,909,000 in general funds in subsidiaries and £3,550,000 representing the net book value of fixed assets in subsidiaries) and £168,000 in general funds in Depaul International.

Helen and Chris never imagined they would become homeless. They were both employed and living in their own flat in Ireland. Helen found out she was pregnant, the happiest of times. But then she started having medical complications, constantly in and out of hospital. After 15 weeks the couple were told that there was a risk that they would lose the baby and Helen was put on bed rest. With Helen out of work they were reliant on Chris's job in a warehouse to support them. Then it all changed. Chris had a serious accident at work which left him with lasting injuries and he couldn't return to work. With no income they couldn't pay the rent and were evicted. They were homeless on the streets – a young pregnant woman and a disabled husband just trying to stay alive. But with the help of Depaul Ireland staff, they managed to get into a B&B where Helen could finally rest and get ready to have the baby. She gave birth to a perfectly healthy baby girl and the family are in the process of finding permanent accommodation.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Unrestricted funds (continued):

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 23 for more details):

	2017	2016
	£'000	£'000
Unrestricted Funds held by Depaul International	289	285
Unrestricted Revenue Funds held by subsidiaries	5,909	3,790
Unrestricted Capital Funds less Long-term liabilities held by subsidiaries	3,550	3,395
	9,748	7,470

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. Subsidiary boards are primarily responsible for the financial viability of their organisation.

One role of Depaul International is to review risks across the group. Financial stability is monitored through the quarterly Key Financial Performance Indicators which include reserves ratios and performance against budget. All subsidiary budgets are reviewed and ratified by Depaul International. In addition to income and expenditure, the budget packs include balance sheets, analysis between funds, reserves ratios, and financial plans for three years.

The general or free reserves held by Depaul International, after making the allowances explained above, were £168,000 at 31 December 2017 (2016: £166,000).

Depaul International aims to maintain these free reserves at 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.

The 2018 budgeted annual staff and overhead costs to be expended by Depaul International (excluding grants to other Depaul organisations) is £574,000. At 31 December 2017 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.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Going Concern

After making appropriate enquiries, including assessments of the key risks (see below) and the preparation of three year financial and strategic plans for 2018-20, the Trustees have a reasonable expectation that the charity and the group have 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.

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 principal risks and uncertainties for the Depaul Group are as follows:

- In line with many charities both statutory and fundraised income may fall short of target and staff will not have the capacity to manage a growing range of demands. Depaul International manages its finite resources by prioritising programmes, robust financial management, supporting local Boards in all its subsidiaries and using volunteers where appropriate.
- A child or vulnerable adult protection failure may result in a person being harmed. An annual review of safeguarding practice and continuous evaluation of the effectiveness of safeguarding governance is undertaken. During 2018 we have begun an additional process to review our current policies that are designed to protect clients and staff, to compare to best practice (internally and externally) and to monitor how embedded these policies are in practice. We will use the guidance from the UK Government Department for International Development and the UK Charity Commission to guide our reviews across the Group.
- 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.

Richard is 52 and originally from Estonia. He has been sleeping rough for many years outside a supermarket in Paris. He first came to Depaul France's Mobil'douche, a van where rough sleepers can shower, have a hot drink and wash their clothes, and now regularly attends the Paris day-centre: Accueil Périchaux. One cold, wet morning he arrived at Depaul in a lot of pain. He had been assaulted during the night and his rib had been shattered. At the day-centre he was able to warm up with a coffee, have a shower and see the volunteer nurse. He had been to A&E and received a prescription for painkillers, but without health insurance or ID papers he wasn't able to buy the medication. Depaul has worked to register Richard for state medical insurance to treat his injury. He is now on the mend and returns to the day-centre regularly so we can check on his progress.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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.

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 up to 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, working with the Board of Trustees, 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.

The Board of Trustees comprises a membership of up to 12 with 10 places taken in 2017 (2016: 18 out of 21 places prior to new arrangements). 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.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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 - Sub-committees

The Finance Committee supports the Board of Trustees in the financial governance in the charity. The committee comprises 2 (2016: 3) trustees from the Board of Trustees with the Treasurer serving as Chair. In addition, there are two additional co-opted members of the Finance subcommittee; one is US-based and the other in the UK.

The Remuneration Committee governs the remuneration packages of executive staff. The membership of the committee comprises 4 trustees (2016: 4) from the Board of Trustees, with the Chair of Depaul International serving as Chair.

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.

'When I left hospital, I was alone, nobody cared for me,' says **Alexander**. 'But I came to St Louise [Depaul Slovakia's rehabilitation home for homeless people coming out of hospital] and the staff have helped me, I love the people working here. I had to undergo many operations and also heart surgery because my abdominal aorta cracked. When it burst, they had to rescue me and I spent 14 days in a coma. I used to care for my mum, I brought her here to Bratislava to live with me. It's already been two years since she died, she was 92. I took care of her every day. Eventually, they had to take her to hospital – she died after only two days there. For the last half year of her life she was deaf and blind. In a way her death was her rescue. And for me too. Now the staff here are trying to find me a place in a home for the elderly – I know I'll have to wait a while, but I'll be so happy when I move there. And I'd love to have a little dog, take him outside.'

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Statement on Charity Governance Code

The Depaul Group reviews its governance practice against its own governance and financial governance frameworks on a regular basis. The governance framework aligns to the principles of the Charity Governance Code.

During 2018 the Board will review its own governance practice, compare this with the Charity Governance Code and seek to adopt the principles and recommended practice of the Code. This will be undertaken proportionately to the charity's circumstances. In case of any divergence from the Code's recommendations, an explanation will be provided in future annual reports.

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.

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. The Depaul Group has volunteer coordinators to ensure that best value is derived from the efforts of our volunteers.

In 2017 over 1,400 volunteers (2016: 1,700) contributed nearly 126,000 hours (2016: 125,000) to the group. The increase in hours, but a decrease numbers is because there are less one-off volunteers with more commitment from our regular volunteers. Depaul International and the group are grateful for the unstinting efforts of its volunteers who are involved in service provision, administration and fundraising.

Depaul Ireland holds Investors in Volunteers awards, the first organisation to achieve this in both the Republic of Ireland and Northern Ireland.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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 is aware of that information.

This report was approved by the Trustees, on 27 June 2018 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

OPINION

We have audited the financial statements of Depaul International for the year ended 31 December 2017 which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), consolidated and charity balance sheets, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

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 2017 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

DEPAUL INTERNATIONAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL INTERNATIONAL

OTHER INFORMATION

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

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

We have nothing to report in this regard.

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- the parent charity has not kept adequate and sufficient accounting records, or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out at page 22, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL INTERNATIONAL

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

N. Hashemi

Naziar Hashemi (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

STATUTORY AUDITOR

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

Date: *19/7/18*

DEPAUL INTERNATIONAL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Restricted funds 2017 £000	Unrestricted funds 2017 £000	Total funds 2017 £000	Total funds 2016 £000
INCOME FROM:					
Donations and legacies	3	3,749	3,212	6,961	5,167
Charitable activities:					
Accommodation and Resettlement		13,867	11,308	25,175	20,035
Outreach and Work in the Community		1,284	255	1,539	1,796
Other		51	125	176	127
Other fundraising events and trading activities	4,5	56	328	384	317
Investments	6	2	37	39	8
Other income	8	-	2,559	2,559	406
TOTAL INCOME		19,009	17,824	36,833	27,856
EXPENDITURE ON:					
Raising funds:					
Voluntary income	9,10	19	2,119	2,138	1,705
Fundraising trading	5	-	103	103	92
Charitable activities:					
Accommodation and Resettlement		14,238	12,449	26,687	21,799
Outreach and Work in the Community		3,114	952	4,066	3,727
Other		251	297	548	396
TOTAL EXPENDITURE		17,622	15,920	33,542	27,719
NET INCOME BEFORE INVESTMENT GAINS		1,387	1,904	3,291	137
Net gains on investments		-	2	2	6
NET INCOME BEFORE TRANSFERS		1,387	1,906	3,293	143
Transfers between funds		(171)	171	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,216	2,077	3,293	143
Currency translation differences		(93)	201	108	41
NET MOVEMENT IN FUNDS		1,123	2,278	3,401	184
RECONCILIATION OF FUNDS:					
Total funds brought forward		2,076	7,470	9,546	9,362
TOTAL FUNDS CARRIED FORWARD		3,199	9,748	12,947	9,546

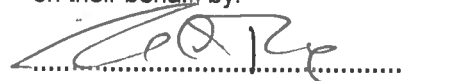
The notes on pages 30 to 59 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	£000	2017 £000	£000	2016 £000
FIXED ASSETS					
Intangible assets	15		14		17
Tangible assets	16		7,802		6,952
Programme related investments	17		47		47
			7,863		7,016
CURRENT ASSETS					
Stocks	18	3		4	
Debtors: amounts falling due after more than one year	19	11		5	
Debtors: amounts falling due within one year	19	3,565		2,504	
Current asset investments	20	99		95	
Cash at bank and in hand		7,336		5,142	
		11,014		7,750	
CREDITORS: amounts falling due within one year	21	(3,501)		(3,182)	
NET CURRENT ASSETS			7,513		4,568
TOTAL ASSETS LESS CURRENT LIABILITIES			15,376		11,584
CREDITORS: amounts falling due after more than one year	22		(2,429)		(2,038)
NET ASSETS			12,947		9,546
GROUP FUNDS					
Restricted funds			3,199		2,076
Unrestricted funds			9,748		7,470
TOTAL FUNDS			12,947		9,546

The financial statements were approved and authorised for issue by the Trustees on 27 June 2018 and signed on their behalf, by:



 John Darley, Chair

The notes on pages 30 to 59 form part of these financial statements.

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

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	£000	2017 £000	£000	2016 £000
CURRENT ASSETS					
Debtors	19	154		76	
Cash at bank		353		320	
		507		396	
CREDITORS: amounts falling due within one year	21	(44)		(61)	
NET CURRENT ASSETS			463		335
NET ASSETS			463		335
TOTAL FUNDS					
Restricted funds	2		174		50
Unrestricted funds	2		289		285
TOTAL FUNDS			463		335

The financial statements were approved and authorised for issue by the Trustees on 27 June 2018 and signed on their behalf, by:



 John Darley, Chair

The notes on pages 30 to 59 form part of these financial statements.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £000	2016 £000
Cash flows from operating activities			
Net cash provided by operating activities	25	<u>2,931</u>	<u>1,128</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		(2)	(8)
Purchase of tangible fixed assets		<u>(1,187)</u>	<u>(847)</u>
Net cash used in investing activities		<u>(1,189)</u>	<u>(855)</u>
Cash flows from financing activities:			
Repayments of borrowings		(173)	(137)
Cash inflows from new borrowing		768	961
Non cash-flow adjustments arising from exchange rate movements on borrowings		<u>(139)</u>	<u>-</u>
Net cash provided by financing activities		<u>456</u>	<u>824</u>
Change in cash and cash equivalents in the year		<u>2,198</u>	<u>1,097</u>
Cash and cash equivalents brought forward		<u>5,237</u>	<u>4,140</u>
Cash and cash equivalents carried forward	26	<u><u>7,435</u></u>	<u><u>5,237</u></u>

The notes on pages 30 to 59 form part of these financial statements.

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 60. 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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

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

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

1.3 Basis of consolidation

The financial statements consolidate the accounts of Depaul International and all of its subsidiary undertakings ('subsidiaries').

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 2017

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. (See 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.

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NOTES TO THE FINANCIAL STATEMENTS
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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 expenditure is inclusive of irrecoverable VAT.

Resources expended on charitable activities comprise expenditure incurred on the defined charitable purposes and include 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the SOFA.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (continued)

1.17 Significant estimates and judgments

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 judgments to be made on the applicability of policies to particular situations. Estimates and judgments 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 judgemental 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 judgments required when preparing the group accounts are as follows:

(i) Provisions - As part of 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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:

	2017	2016
	£'000	£'000
Donations and legacies	864	473
Income from charitable activities	55	76
Group subscriptions from subsidiaries	340	305
Total income	1,259	854
Raising funds	111	134
Expenditure on charitable activities	1,006	752
Total expenditure	1,117	886
Net income/(expenditure)	142	(32)
Currency translation differences	(14)	15
Total funds brought forward	335	352
Total funds carried forward	463	335
Represented by		
Unrestricted income funds		
Designated funds	121	119
General funds	168	166
	289	285
Restricted income funds	174	50
	463	335

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

3. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2017 £000	Unrestricted funds 2017 £000	Total funds 2017 £000	<i>Total funds 2016 £000</i>
Donations from individuals	107	1,494	1,601	1,278
Churches, SVP, schools and other societies	1,237	163	1,400	456
Corporate donations	581	273	854	1,204
Grants	1,658	956	2,614	1,898
Legacies	56	89	145	155
Gifts in kind	110	237	347	176
Total donations and legacies	<u>3,749</u>	<u>3,212</u>	<u>6,961</u>	<u>5,167</u>
<i>Total 2016</i>	<u>2,246</u>	<u>2,921</u>	<u>5,167</u>	

4. INCOME FROM FUNDRAISING EVENTS

	Restricted funds 2017 £000	Unrestricted funds 2017 £000	Total funds 2017 £000	<i>Total funds 2016 £000</i>
Events	56	248	304	246
<i>Total 2016</i>	<u>-</u>	<u>246</u>	<u>246</u>	

5. TRADING ACTIVITIES

	Unrestricted funds 2017 £000	Total funds 2017 £000	<i>Total funds 2016 £000</i>
Charity trading income			
Sales income	80	80	71
Charity trading costs			
Running expenses	103	103	92
Net expenditure from trading activities	<u>(23)</u>	<u>(23)</u>	<u>(21)</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS
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6. INVESTMENT INCOME

	Unrestricted & Total funds 2017 £000	<i>Unrestricted & Total funds 2016 £000</i>
Investment income - local listed investments	2	1
Investment income - local cash	37	7
	<u>39</u>	<u>8</u>
<i>Total 2016</i>	<u>8</u>	

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

	Restricted funds 2017 £000	Unrestricted funds 2017 £000	Total funds 2017 £000	<i>Total funds 2016 £000</i>
Contracts for project work	15,028	1,480	16,508	12,648
Rents and charges to residents	-	5,846	5,846	4,869
Other income	174	4,362	4,536	4,441
	<u>15,202</u>	<u>11,688</u>	<u>26,890</u>	<u>21,958</u>
<i>Total 2016</i>	<u>11,487</u>	<u>10,471</u>	<u>21,958</u>	

The Depaul Group received contributions from the UK government of £8.5m (2016: £7.7m) including Supporting People contracts. There are no unfunded commitments or unfulfilled conditions.

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8. OTHER INCOME

	Restricted funds 2017 £000	Unrestricted funds 2017 £000	Total funds 2017 £000	<i>Total funds 2016 £000</i>
Other income	-	2,559	2,559	57
Net assets arising from merger	-	-	-	349
	-	2,559	2,559	406
<i>Total 2016</i>	352	54	406	

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

Other income includes £2,516,000 income from lotteries, received by Depaul UK. The People's Postcode Lottery was appointed as Depaul UK's external lottery manager to run lotteries on their behalf. Other income shows only the net proceeds of these lotteries included in these accounts as this better reflects the impact on operations.

	Restricted funds 2017 £000	Unrestricted funds 2017 £000	Total funds 2017 £000	<i>Total funds 2016 £000</i>
Gross Proceeds	-	8,115	8,115	-
Expenses	-	(1,551)	(1,551)	-
Prize funds	-	(4,048)	(4,048)	-
Total	-	2,516	2,516	-

9. DIRECT COSTS

	Fundraising costs £000	Accom & Resettlem't £000	Outreach & Work in the Community £000	Other Charitable Activities £000	Total 2017 £000	<i>Total 2016 £000</i>
Direct staff and volunteer costs	1,112	15,340	2,683	223	19,358	16,566
Other direct costs	783	8,234	908	221	10,146	8,067
	1,895	23,574	3,591	444	29,504	24,633
<i>Total 2016</i>	1,524	19,535	3,249	325	24,633	

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NOTES TO THE FINANCIAL STATEMENTS
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9. DIRECT COSTS (continued)

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 2017 £000	Total 2016 £000
Direct staff and volunteer costs	199	2,278	379	82	2,938	2,334
Other direct costs	44	835	96	22	997	660
	<u>243</u>	<u>3,113</u>	<u>475</u>	<u>104</u>	<u>3,935</u>	<u>2,994</u>
<i>Total 2016</i>	<u>181</u>	<u>2,264</u>	<u>478</u>	<u>71</u>	<u>2,994</u>	

ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Staff and volunteer costs £000	Other costs £000	2017 £000	2016 £000
Operations	1,371	704	2,075	1,439
Human Resources	608	108	716	593
Finance	925	105	1,030	842
Governance	34	80	114	120
	<u>2,938</u>	<u>997</u>	<u>3,935</u>	<u>2,994</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the charitable group	285	257
Amortisation of intangible fixed assets	3	3
Operating lease rentals	760	847
Interest receivable	37	8
	=====	=====

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, 19 Trustees received reimbursement of expenses of £15,000 (2016 - 18 trustees £16,000).

12. AUDITOR'S REMUNERATION

	2017	2016
	£000	£000
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	12	12
Fees payable to the subsidiaries' auditors in respect of:		
The auditing of accounts of subsidiaries by the company's auditor	34	34
The auditing of accounts of subsidiaries by other auditors	35	32
	=====	=====

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**NOTES TO THE FINANCIAL STATEMENTS
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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:

	2017	2016
	No.	No.
Accommodation and Resettlement	588	533
Outreach and Work in the Community	140	155
Other Charitable activities	1	0
Cost of generating funds	29	24
Operations	38	30
Human resources	11	11
Finance	23	23
	830	776

Average headcount expressed as a full time equivalent:

	2017	2016
	No.	No.
Total staff in group	810	756

The number of higher paid employees was:

	2017	2016
	No.	No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	4	3

The total amount of benefits received by the key management personnel of Depaul International is £233,000 (2016: £226,000). In relation to these employees there were staff costs of £26,000 (2016: £23,000) in employers' national insurance. Details of the key management personnel can be found on page 61.

Of those employees in the Depaul Group who earned £60,000 or more during the year (as defined above), employer contributions are made to money purchase schemes in respect of 8 (2016: 8) of them. Total employer contributions to money purchase schemes in respect of such employees during the year amounted to £38,000 (2016: £27,000).

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.

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NOTES TO THE FINANCIAL STATEMENTS
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STAFF AND VOLUNTEER COSTS

Staff and volunteer costs for the year were as follows:

	2017	2016
	£000	£000
Wages and salaries	18,178	15,672
Social security costs	1,814	1,578
Pension costs	505	379
	20,497	17,629
Sub total	20,497	17,629
Other employee costs	1,799	1,269
	22,296	18,898
Total	22,296	18,898

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 21.

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

	2017
Group	Franchise
Cost	£000
At 1 January 2017 and 31 December 2017	24
Amortisation	
At 1 January 2017	7
Charge for the year	3
At 31 December 2017	10
Carrying amount	
At 31 December 2017	14
	14
At 31 December 2016	17

During 2012, Depaul USA entered into a 10 year franchise agreement. Management does not believe an impairment exists as at 31 December 2017.

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**NOTES TO THE FINANCIAL STATEMENTS
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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 2017	5,378	1,736	154	351	7,619
Additions	643	279	26	239	1,187
Disposals	-	(68)	(22)	(14)	(104)
Foreign exchange movement	(9)	-	-	-	(9)
At 31 December 2017	<u>6,012</u>	<u>1,947</u>	<u>158</u>	<u>576</u>	<u>8,693</u>
Depreciation					
At 1 January 2016	166	145	101	255	667
Charge for the year	129	61	31	64	285
On disposals	-	(25)	(22)	(14)	(61)
At 31 December 2017	<u>295</u>	<u>181</u>	<u>110</u>	<u>305</u>	<u>891</u>
Net book value					
At 31 December 2017	<u>5,717</u>	<u>1,766</u>	<u>48</u>	<u>271</u>	<u>7,802</u>
At 31 December 2016	<u>5,212</u>	<u>1,591</u>	<u>53</u>	<u>96</u>	<u>6,952</u>

17. PROGRAMME RELATED INVESTMENTS

Group	£000
Market value	
At 1 January 2017 and 31 December 2017	<u>47</u>
At 31 December 2016	<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.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STOCKS

	Group		Charity	
	2017	2016	2017	2016
	£000	£000	£000	£000
Raw materials	3	4	-	-

19. DEBTORS

	Group		Charity	
	2017	2016	2017	2016
	£000	£000	£000	£000
Due after more than one year				
Other debtors	5	5	-	-
Prepayments and accrued income	6	-	-	-
	11	5	-	-

	Group		Charity	
	2017	2016	2017	2016
	£000	£000	£000	£000
Due within one year				
Amounts owed by group undertakings	-	-	108	39
Other debtors	572	32	44	-
Sundry debtors and prepayments	1,313	1,081	2	37
Government Grants Receivable	1,680	1,391	-	-
	3,565	2,504	154	76

20. CURRENT ASSET INVESTMENTS

	Group	
	2017	2016
	£000	£000
Quoted investments	99	95

Group listed investments

The market value of the listed investments at 31 December 2017 was £99,000 (2016: 95,000).

Listed investments held in the UK amount to £91,000 (£89,000). The remainder are listed investments held in the US, by Depaul USA.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2017 £000	2016 £000	2017 £000	2016 £000
Other loans	426	374	-	-
Trade creditors	906	1,042	2	6
Amounts owed to group undertakings	-	-	4	-
Other taxation and social security	407	206	10	8
Accruals and deferred income	1,762	1,560	28	47
	<u>3,501</u>	<u>3,182</u>	<u>44</u>	<u>61</u>

The loans comprise:

Depaul USA took out the following loans to improve liquidity.

- A note payable from the State Bank to Depaul USA of \$142,856 (£105,000) with an interest rate of 2.3%, collateralised by a certificate of deposit owned by the Chair of Depaul USA. The principal is due to be repaid in May 2018.
- A note payable of \$100,794 (£75,000) collateralised by assets of Depaul USA, interest at 6%, principal payments vary in accordance with the note agreement in May 2019. Depaul USA is subject to and complied with all covenants as defined in the agreement as at 31 December 2017.
- A note payable of \$50,000 (£37,000), non-interest bearing with annual principal payments of \$25,000 maturing in January 2019.
- A line of credit of \$50,000 (£37,000) 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 agreement matured in 2017.
- 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.

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 2017 was €235,000 (£209,000). (2016: £210,000).

Deferred income

	2017
	£000
Deferred income at 1 January 2017	841
Resources deferred during the year	876
Amounts released from previous years	(963)
Currency translation differences	5
	<u>759</u>
Deferred income at 31 December 2017	759

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FOR THE YEAR ENDED 31 DECEMBER 2017

CREDITORS: Amounts falling due within one year (continued)

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.

22. CREDITORS: Amounts falling due after more than one year

	Group	
	2017	2016
	£000	£000
Other loans	2,361	1,957
Trade creditors	54	52
Accruals and deferred income	14	29
	2,429	2,038

Included within the above are amounts falling due as follows:

	Group	
	2017	2016
	£000	£000
Between one and two years		
Other loans	106	-
	106	-
Between two and five years		
Other loans	159	83
	159	83
Over five years		
Other loans	2,096	1,874
	2,096	1,874

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

	Group	
	2017	2016
	£000	£000
Repayable by instalments	2,143	1,920
	2,143	1,920

DEPAUL INTERNATIONAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

22. CREDITORS: Amounts falling due after more than one year (continued)

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 (£1,540,000). 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.

In 2017, Depaul USA entered into an agreement with the St Louis Mental Health Board (SLMHB) to provide permanent supportive housing for homeless residents. The SLMHB provided a \$250,000 note (£185,000) to fund the programme. The note payable shall bear no interest for a term of ten years. Beginning in May 2018 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 \$25,000 and recognised as income.

During 2016, 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 £14,000 of funds are released over a 10 year period. These funds were received at the start of the projects.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

23. CURRENT 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						
Depaul International						
Slovensko	12	-	-	(12)	-	-
Website Dev't	-	-	-	15	-	15
Ukraine	23	-	-	17	-	40
Contingency	36	-	-	(12)	-	24
C Leeming ^	32	-	-	(1)	-	31
Exchange rate differences	16	-	-	(5)	-	11
Unrestricted capital funds and long term liabilities retained in						
UK	2,697	-	-	173	-	2,870
France capital	111	-	-	(14)	(8)	89
France LT liab	-	-	-	-	-	-
Slovensko capital	628	-	-	(3)	-	625
Slovensko LT Liab	(41)	-	-	7	-	(34)
Unrestricted revenue funds retained in*						
UK	1,729	13,920	(12,060)	(133)	2	3,458
Ireland	1,036	1,137	(1,036)	294	43	1,474
N. Ireland	563	733	(662)	(115)	-	519
Slovensko	2	173	(148)	(11)	-	16
Ukraine	6	9	-	-	(6)	9
France	110	130	(159)	15	5	101
USA	344	1,455	(1,643)	-	176	332
Intra-company transfers ~	-	(55)	220	(165)	-	-
Sub total	7,304	17,502	(15,488)	50	212	9,580
General funds						
General funds	166	662	(647)	(6)	(7)	168
Intra-company transfers ~	-	(340)	215	127	(2)	-
Total Unrestricted funds	7,470	17,824	(15,920)	171	203	9,748

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

CURRENT YEAR STATEMENT OF FUNDS (continued)

Restricted Funds

	Brought forward £000	Incoming resources £000	Resources expended £000	Transfers in/out £000	Gains/ losses £000	Carried forward £000
Funds held in Depaul International:						
Slovensko	22	7	(14)	-	-	15
Ukraine	9	247	(198)	4	(7)	55
France	1	-	(1)	-	-	-
IGH	18	112	(89)	-	-	41
Famvin						
Homeless						
Alliance	-	211	(148)	-	-	63
UK	-	20	(20)	-	-	-
Funds retained in subsidiaries:						
UK	789	2,126	(2,063)	(40)	-	812
Ireland	234	10,244	(10,333)	-	(4)	141
N Ireland	487	2,552	(2,320)	(179)	-	540
Slovensko	37	598	(632)	7	-	10
France	4	12	(8)	(1)	-	7
Ukraine	18	384	(276)	-	5	131
USA	457	2,820	(1,806)	-	(87)	1,384
Intra-company transfers ~	-	(324)	286	38	-	-
Total	2,076	19,009	(17,622)	(171)	(93)	3,199

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 is used to support cross-cultural and professional learning across the group.

We are very grateful to the many donors who support our work. Included in the restricted fund for IGH is £60,000 from Lankelly Chase used to develop the IGH Hub, which connects researchers, practitioners, and policymakers to one another, to ideas, and to effective practice from around the world.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

24. CURRENT YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £'000	Unrestricted funds £000	2017 £000
Tangible fixed assets	1,763	6,039	7,802
Intangible fixed assets	-	14	14
Programme related investments	-	47	47
Debtors due after more than one year	-	677	677
Current assets	2,976	7,361	10,337
Creditors due within one year	-	(3,501)	(3,501)
Creditors due in more than one year	(1,540)	(889)	(2,429)
Total	3,199	9,748	12,947

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

	Group	
	2017 £000	2016 £000
Net income for the year (as per Statement of Financial Activities)	3,293	143
Adjustment for:		
Amortisation	3	3
Gains on investments	2	8
Currency translation differences	108	41
Loss on the sale of fixed assets	43	-
Decrease/(increase) in stocks	1	(1)
(Increase)/decrease in debtors	(1,067)	1,049
Increase/(decrease) in creditors	254	(372)
Depreciation charges	285	257
Currency translation difference on assets	9	-
Net cash provided by operating activities	2,931	1,128

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2017 £000	2016 £000
Current asset investments	99	95
Cash in hand	7,336	5,142
Total	7,435	5,237

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

27. CAPITAL COMMITMENTS

At 31 December 2017 the group and charity had capital commitments as follows:

	Group		Charity	
	2017	2016	2017	2016
	£000	£000	£000	£000
Contracted for but not provided in these financial statements	-	253	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

These capital commitments are contracted for by Depaul UK.

28. PENSION COMMITMENTS

Depaul International, Depaul UK and Depaul Ireland operate defined contributions pension 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 £401,000 (2016: £383,000). Contributions totalling £45,000 (2016: £48,000) were payable to the funds at the balance sheet date and are included in creditors.

29. OPERATING LEASE COMMITMENTS

Land and buildings

	2017	2016
	£000	£000
Group		
Expiry date		
Within 1 year	349	316
Between 1 and 5 years	1,402	1,354
After more than 5 years	382	351
	<u> </u>	<u> </u>
Total	<u>2,133</u>	<u>2,021</u>

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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. 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 Slovensko, 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.

On 11th April 2018, Depaul Croatia, an Association (PIN 57378713460) joined the Depaul Group. It is a legal entity established and existing under the laws of Croatia as a non-profit organization providing generally helpful services and recognised as having Charitable Status there, having its registered seat at Frana Kresnika 15, 51 000, Rijeka, Croatia.

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

A summary of the results of members of the Depaul Group for 2017 are on the following page:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Summary of results of the individual Depaul organisations in the Group for 2017 (£'000)

	Int'l (entity)	France	Ukraine	Slovensko	USA*	Ireland*	UK*	Intra group activities	Int'l (Group) 2017	Int'l (Group) 2016
INCOME FROM										
Donations and legacies	864	106	128	162	2,406	1,030	2,669	(20)	7,345	5,484
Charitable activities	395	36	265	609	1,793	13,636	10,855	(699)	26,890	21,958
Other incoming resources	-	-	-	-	76	0	2522	-	2,598	414
	1,259	142	393	771	4,275	14,666	16,046	(719)	36,833	27,856
EXPENDITURE ON										
Raising funds	111	22	-	45	319	714	1040	(10)	2,241	1,797
Charitable activities	1006	145	276	735	3,130	13,637	13,083	(711)	31,301	25,920
	1,117	167	276	780	3,449	14,351	14,123	(721)	33,542	27,717
NET INCOME/ EXPENDITURE	142	(25)	117	(9)	826	315	1,923	2	3,291	139
Currency translation differences	(14)	(3)	(1)	-	89	39	2	(2)	110	45
Total Funds at 1 Jan 2017	335	225	24	626	801	2,320	5,215	-	9,546	9,362
Total Funds at 31 Dec 2017	463	197	140	617	1,716	2,674	7,140	0	12,947	9,546
BALANCE SHEET										
Fixed Assets	-	300	131	631	2,476	8	4,270	-	7,816	6,969
Current assets	507	128	9	115	1,311	3,963	5,138	(110)	11,061	7,797
Creditors < 1 year	(44)	(231)	-	(75)	(346)	(1,283)	(1,632)	110	(3,501)	(3,180)
Net current assets	463	(103)	9	40	965	2,680	3,506	0	7,560	4,617
Total assets less current liabilities	463	197	140	671	3,441	2,688	7,776	-	15,376	11,586
Creditors > 1 year	-	-	-	(54)	(1,725)	(14)	(636)	-	(2,429)	(2,040)
Net assets	463	197	140	617	1,716	2,674	7,140	0	12,947	9,546
Notes										
* consolidated										

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

PRINCIPAL SUBSIDIARIES AND THEIR RESULTS (continued)

The structure forms a group, as each of the parent companies have control through certain powers and shared objectives. This usually comes with 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 exception is Depaul Croatia where Depaul International has the power to govern the financial and operating policies of the entity under an arrangement based on the group agreement.

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

The Famvin Homeless Alliance (FHA) is a collaboration within the Vincentian Family (with two million members) aimed at reducing and, where possible, ending homelessness in the countries where Vincentian organisations work. The FHA addresses the issue of homelessness from a global and systemic perspective, acknowledging the urgency to work with organisations beyond the Vincentian Family. FHA is a collaboration without a legal entity and Depaul International has been asked to provide management and governance to progress its work.

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 2017 is €235,000 (£209,000) (see Note 21). Some of the Daughters support our projects with their time. Depaul subsidiaries spent £82,000 (2016: £126,000) on salaries to these workers. Depaul USA also received a grant from the Daughters of Charity; the first year's commitment has been recognised of \$450,000 (£349,000).

Depaul Ireland received donations and funding of £23,000 (2016: £20,000) 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. Laurence Tuomey resigned as a trustee from Depaul International on 1st February 2017.

The Depaul International Chief Executive Officer, Ian Brady, is also a trustee of London Housing Foundation (LHF). During 2017 LHF made grants to Depaul International of £100,000 (2016: £100,000). In addition Depaul UK secured a loan arrangement with LHF in 2016. The outstanding balance at 31 December 2017 was £689,000. (See Note 22.)

The note payable of \$142,856 (£105,000) from the State Bank to Depaul USA was secured by a certificate of deposit owned by the Chair of Depaul USA. The principal balance is due in May 2018.

Dame Louise Casey is a trustee of Depaul International. During 2017 she was appointed by DePaul University to provide consultancy and leadership to accelerate the work of The Institute of Global Homelessness (IGH), a jointly controlled operation of Depaul International and DePaul University.

In 2016, Depaul International received a grant of £38,000 from DePaul University for the work of IGH. There was no grant from DePaul University in 2017.

The aggregate of other donations received by the group from other related parties of Depaul International during 2017 was £258,000 (2016: £58,000). We are also grateful to the Ambassadors of Depaul International who made further donations of £77,000 (2016: £131,000).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

32. RELATED PARTY TRANSACTIONS (continued)

Transactions between Depaul International and its subsidiaries

The Chairs of the subsidiaries were Trustees of Depaul International by right until February 2017. As part of the new governance arrangements, only the Chairs of Depaul Ukraine and Depaul USA are now trustees of Depaul International (see Trustees' Report for more information).

The financial statements eliminate the transactions within the Depaul Group. These transactions are listed below:

In 2017, the subsidiaries paid a total of £340,000 (2016: £305,000) 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 £380,000 during 2017 (2016: £296,000).

In 2017, Depaul International paid Depaul UK £11,000 (2016: £19,000) 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 2017:

Depaul USA	£8,000	(2016: £18,000)
Depaul UK	£68,000	(2016: £19,000)
Depaul Ireland	£32,000	(2016: £2,000)

The following intra-company balances were owed by Depaul International at 31 December 2017:

Depaul Slovensko	£4,000	(2016: £Nil)
Depaul Ireland	£Nil	(2016: £4,000)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

33. PRIOR PERIOD STATEMENT OF FINANCIAL ACTIVITIES

2016 STATEMENT OF FINANCIAL ACTIVITIES

	Restricted £000	Unrestricted £000	2016 £000
INCOME FROM:			
Donations and legacies	2,246	2,921	5,167
Other fundraising events	-	317	317
Investments	-	8	8
Charitable activities	11,487	10,471	21,958
Other income	352	54	406
TOTAL INCOME	14,085	13,771	27,856
EXPENDITURE ON:			
Raising funds	(165)	(1,632)	(1,797)
Charitable activities	(13,821)	(12,101)	(25,922)
TOTAL EXPENDITURE	(13,986)	(13,733)	(27,719)
Other adjustments			
Currency translation differences	221	(174)	47
Transfer between funds	7	(7)	-
Net movement in funds for the year	327	(143)	184

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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						
Depaul International						
Slovakia	12	-	-	-	-	12
France	19	-	-	(19)	-	-
Ukraine	23	-	-	-	-	23
Contingency	36	-	-	-	-	36
C Leeming	33	-	-	(1)	-	32
Exchange rate differences	-	-	-	16	-	16
Unrestricted capital funds and long term liabilities retained in						
UK	2,738	-	-	(41)	-	2,697
France capital	118	-	-	(7)	-	111
France LT liab	-	-	-	-	-	-
Slovensko capital	604	-	-	24	-	628
Slovensko LT Liabilities	-	-	-	(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
N. Ireland	415	737	(589)	-	-	563
Slovensko	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	-
Sub total	7,453	13,472	(13,280)	(153)	(188)	7,304
General funds						
General funds	160	604	(616)	4	14	166
Intra-company transfers	-	(305)	163	142	-	-
Total Unrestricted funds	7,613	13,771	(13,733)	(7)	(174)	7,470

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

PRIOR YEAR STATEMENT OF FUNDS (continued):

Prior Year Restricted Funds

	Brought forward £000	Incoming resources £000	Resources expended £000	Transfers in/out £000	Gains/ losses £000	Carried forward £000
Funds held in 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)	-	-	-
Funds retained in subsidiaries:						
UK	269	2,010	(1,572)	79	4	790
Ireland	400	7,138	(7,368)	-	64	234
N 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)	-	-
Total	1,749	14,085	(13,986)	7	221	2,076

For explanations of funds please see Note 23.

35. PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £000	Unrestricted funds £000	2016 £000
Tangible fixed assets	-	17	17
Intangible fixed assets	1,702	5,250	6,952
Programme related investments	-	47	47
Debtors due after more than one year	-	5	5
Current assets	2,064	5,681	7,745
Creditors due within one year	(3)	(3,179)	(3,182)
Creditors due in more than one year	(1,687)	(351)	(2,038)
Total	2,076	7,470	9,546

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 (resigned 22 January 2018)
Father Dennis Holtschneider, representing the Congregation of the Mission (appointed 22 January 2018)
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
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 (resigned 11 October 2017)
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 whilst a trustee of Depaul International

⁴ Director of Depaul Group Trading

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 Rosslyn Avery, FCA

Group Chief Executive Officer Mark McGreevy, OBE

**Depaul International
Key management
personnel**

Mark McGreevy, OBE, Group Chief Executive Officer
Ian Brady, Depaul International Chief Executive Officer
Rosslyn Avery, FCA, Group Finance and Resources Director
Jason Eades, Senior Partnerships Manager

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