
DEPAUL UK
(A company limited by guarantee)

**REVISED TRUSTEES' REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2019**



Please note:

This replaces the original Trustees' Report and Financial Statements.

These are the new statutory accounts of the company for the year ended 31 December 2019.

They have been prepared as at the date of the original accounts.

The amendments made are: On page 18, the fundraising return on investment unit of measurement has been changed; and on page 19 there was a reference to a note that did not exist, so this has been removed.

There have been no significant amendments made consequential on the remedying of these defects.

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Trustees

Suzanne McCarthy, Chairperson
Monique Green
Anthony Harris
Ben Jackson
Edward Tait (appointed 1 January 2019)
Sr. Mary Timmons DC
Helen O'Shea, Vice-Chairperson
Katy Porter
Fr. Paul Roche
Rt. Rev Mark Bryant
Will Arnold-Baker
Michael Jones
Michael Wells FCA

Company registered number
02440093

Charity registered numbers
802384 and SC049244

Registered and principal office
Sherborne House, 34 Decima Street, London, SE1 4QQ

Company secretary
Judith Rowland-Hill

Chief executive officer
Mike Thiedke

Auditor
Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

Bankers
Barclays Bank, 1 Churchill Place, London, E14 5HP

Solicitors
Russell-Cook Solicitors, 8 Bedford Row, London, WC1R 4BX

SA Law, 91 Wimpole Street, Marylebone, London, W1G 0EF

Investment Advisors
Seven Investment Management, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG

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**CHAIR'S AND CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

In 2019, Depaul celebrated its 30th anniversary with a raft of events and continued success in supporting people experiencing homelessness. This report concentrates on the events of 2019. That year has, however, been overshadowed by the Covid-19 pandemic, and in this statement we would like to describe how Depaul UK has coped during this crisis, which is undoubtedly the biggest challenge the charity has faced.

We have focused on four key areas: emergency accommodation for young people and the wider homeless community, working to keep those living in our supported accommodation safe and healthy; helping our clients feel connected and supported throughout the crisis; and keeping our staff safe, healthy and supported. During this period, Depaul staff have demonstrated astonishing levels of resilience, creativity and flexibility, handling operational challenges successfully. This has allowed us to keep the majority of our client-facing service provisions "open" and our business-as-usual operations functional. We also responded quickly to the Government's call to ensure that people sleeping rough were safe from infection by taking on the management of two hotels – one in Waterloo, Central London, and the other in central Manchester – for people leaving homelessness shelters or sleeping on the streets. In addition, we have realised income opportunities and run emergency fundraising appeals that have gone a long way to mitigating the potential damage to our finances. A further statement on Depaul UK's Covid-19 response is below.

Returning to 2019, the 30th anniversary of the founding of Depaul gave us the chance in many ways to showcase what we do, and we were pleased that our work has been noticed. For example, following a Youth Homelessness Roundtable event at 10 Downing Street, the then Prime Minister, the Rt. Hon. Theresa May MP, lavished praise on the charity in a press release. Cardinal Vincent Nichols, Archbishop of Westminster and leader of the Catholic Church in England & Wales, also released a statement praising Depaul and celebrating our rich history. The Church of England marked the occasion with a Depaul fundraising event in the beautiful gardens of Lambeth Palace, London. A very successful reception was held on the House of Lords' Terrace, attended by peers and MPs from all the major parties, key figures from Depaul's history and funders and supporters. Moreover, Welfare Delivery Minister, Will Quince MP, visited our London headquarters at, Sherborne House, and Greater Manchester Mayor, Andy Burnham, came to our Oldham night shelter for rough sleepers to meet clients and staff.

In 2019, Depaul UK provided support to almost 4,200 clients in accommodation services, in the community and in prisons and, through our schools and education programmes, we worked with around 6,600 others. During the year, our family mediation services supported around 350 families.

In that year, our Nightstop emergency accommodation network, which stretches from Glasgow to Guernsey, provided nearly 9,000 safe beds for a night, for more than 940 people in desperate need. The Nightstop network boasted more than 1,100 volunteers in a variety of roles, from hosts and mentors to drivers and chaperones. This included around 680 households opening up their spare rooms to someone in need. Moreover, we launched a new service, Nightstop Hertfordshire.

Information and data is vital to Depaul to understand better, and meet the needs of, the people with whom we work. In 2019, we launched the Youth Homelessness Outcomes Tracker (YHOT), a new outcomes measurement framework that has been created after extensive consultation with young people, our staff and with academics. It has been developed with a digital tool to help us measure accurately the outcomes achieved by our young people.

As always, we are extremely grateful for the continued backing of our supporters and corporate partners, especially players of People's Postcode Lottery, LetterOne, Deloitte, and the Oak Foundation. Their generous funding has allowed us to increase our impact, income and profile, enabling us to help even more young people and the wider homeless community.

Suzanne McCarthy
Chair

Mike Thiedke
Chief Executive

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**CHAIR'S AND CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Impact of Covid

Despite the challenges of Covid-19, we are proud to have been able to keep the majority of our services open and safe while protecting our financial strength. This has been the result of the commitment, hard work and flexibility of our staff, the generous support of our funders and our organisational agility which has enabled us to respond quickly to the opportunities arising from the pandemic.

Although our regional offices were closed for several months from 23rd March 2020, the strength of our services, programmes and relationships enabled the work of these teams to continue, remotely and at pace, at a time when our services were and continue to be never more needed. Many staff who were unable to continue with their usual roles were temporarily redeployed to other areas of the charity, including the emergency hotel provisions we operated in response to the "everyone in" programme.

Once through the emergency phase of the pandemic, we launched a two-phase "back to better" programme. The first stage was the safe reopening of our regional offices which was carried out in accordance with government guidelines while fully addressing the needs and concerns of the staff. This phased reopening enabled programmes teams to deliver more face-to-face services and, although most support and fundraising staff continue to work remotely, it has enabled intra-directorate and inter-directorate teams to collaborate in person, which is vital to retaining our strong organisational culture.

The second stage is the application of the learnings of the past six months to introduce greater agile working across the organisation and achieve a number of outcomes which are aligned with our 2021-2026 strategy. These include relieving the pressure on desk space, thereby maximising the use of our buildings for direct service delivery, supporting a healthy work/life balance for our staff and reducing the charity's carbon footprint.

Financially, we have reviewed our budgets and forecasts for 2020, 2021 and, tentatively, 2022 and expect to be able to mitigate any additional costs or reduced income through the redirection of designated reserves, contribution from new business and changes to ways of working made possible or necessary by the pandemic.

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TRUSTEES' STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Constitution, governance and management

A. Constitution

The Charity is registered as a charitable company limited by guarantee.

Depaul UK (the Charity) was founded in 1989 as the Depaul Trust. It is now constituted under a Memorandum and Articles of Association dated 9 June 2009, last amended by a Special Resolution on 22 March 2019, and is a registered charity (number 802384).

The objects of the Charity are:

- The prevention of relief and poverty, homelessness and financial hardship.
- The advancement of education.
- Such other exclusively charitable objects or exclusively charitable purposes as the Trustees may from time to time decide can usefully be pursued for the public benefit, nationally and internationally and by such exclusively charitable means as the trustees may determine.

Depaul International was established in 2004 and became the parent company of Depaul UK in 2005. The Depaul Group now consists of Depaul International (the parent company), Depaul UK, Depaul Ireland and its subsidiaries Depaul Northern Ireland and Depaul Housing Association, Depaul Slovensko (based in Slovakia), Depaul Ukraine, Depaul USA, Depaul France, Depaul Croatia and Depaul Group Trading Limited. Depaul UK has further subsidiaries of Depaul Housing Services and Depaul UK Trading CIC.

Depaul UK is a subsidiary of Depaul International by virtue of the rights conferred on Depaul International in the Articles of Association. Depaul UK's governance structure is in three parts: the Council of Trustees, the Committees of the Council and the Executive and Leadership Teams. This arrangement facilitates effective strategic focus and decision making.

B. The Council of Trustees, the Committees and the Executive Team

The Council of Trustees

The Council of Trustees (the Council) consists of up to 17 Trustees (who are also the directors of Depaul UK), all of whom are committed to leading the Charity in accordance with its charitable objects. The Council manages the process for the recruitment and appointment of new Trustees and the appointment of the Council's Chair and the Chief Executive. Trustees are recruited for a three-year term and may be re-appointed for a further term of three years.

All Depaul UK Trustees are formally appointed by Depaul International. Depaul International also exercises a number of governance functions including ratification of senior roles, budgets and strategic plans.

The Chief Executive and the Trustees appoint a number of Executive Directors, who, while not being Trustees, may attend Council meetings and support the Council's Committees.

It is the responsibility of the Executive Directors to work with the Chief Executive to ensure that the Council has all the information it needs to exercise its leadership role for the Charity with particular regard to the development and monitoring of the strategic and business plans and associated financial planning and budgets. All Trustees receive an induction on appointment, and relevant training is made available throughout their period of appointment to ensure they are able to continue to perform their duties as Trustees satisfactorily.

The Council's Committees

The Committees are:

- The Services and Business Development Committee – whose main role is to recommend to the Council the Services Development Strategy and to monitor the implementation of services and safeguarding across Depaul UK.

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TRUSTEES' STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

- The Fundraising and Communications Committee – whose main role is to recommend to the Council the Fundraising and Communications Strategies and to monitor fundraising standards across Depaul UK including reporting on the maintenance and development of best fundraising practice to full Council.
- The Finance, Audit and Compliance Committee – whose main role is to monitor the financial performance of the organisation and to have oversight of all aspects of internal control and audit while making recommendations to the Council on the management of strategic risks.
- The Staffing and Remuneration Committee – whose main role is to review and recommend to the Council any changes in the remuneration of staff and their conditions of employment. Depaul UK has adopted the Depaul Group Policy and Principles for the Determination of Executive Remuneration. This policy reflects the Depaul Group's reward philosophy for senior executive staff and forms the basis on which Depaul International and Depaul Group Subsidiaries are expected to manage executive remuneration.

In addition, the Chairs' Committee, which is composed of the chairs of the above Committees, meets to agree Council meeting agendas and to ensure that the work of the committees is coordinated.

The Executive Team

The Executive Team comprises the paid strategic leaders of the Charity and is supported by the wider senior leaders across the charity who form the leadership team.

The Executive Team provides the day-to-day executive leadership for Depaul UK. The team is led by the Chief Executive together with the Executive Directors for Operations; Fundraising and Communications; Finance, IT and Organisational Performance and People and Organisational Development. The Executive Team meets regularly, with meetings chaired by the Chief Executive and takes a strategic view of the Charity's requirements.

C. Policies adopted for recruitment of Trustees and Chair and Vice Chair

The Council of Trustees manages the process for the recruitment of new Trustees and the appointment of the Chair and Vice-Chair according to its agreed policy and procedures. A skills audit of Trustees influences the selection process that involves open advertising. All members of the Council receive an induction following appointment.

D. The Charity Governance Code

The Trustees have adopted the updated 2017 Charity Governance Code and carried out an assessment of compliance against its seven principles at their strategy meeting in September 2018. The self-assessment found the charity in general compliance with the Code's recommendations and the Trustees remain committed to working towards achieving excellence in delivering the Charity's governance arrangements.

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**TRUSTEES' STRATEGIC REPORT
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STRATEGIC REPORT

Depaul's Vision, Mission, Values and Public Benefit

Depaul's Vision is that everyone should have a place to call home and a stake in their community. Our work is guided by our Vincentian values, and these are the basis of everything we do. Our Mission is to offer homeless and disadvantaged people, particularly the young, the opportunity to fulfil their potential and move towards an independent and positive future.

Our core values are that we:

- celebrate the potential of people;
- put our words into action;
- take a wider role in civil society; and
- believe in rights and responsibilities.

Depaul offers supported accommodation, learning and development opportunities and a variety of information, mediation and resettlement services mainly to young people who are homeless or who are at risk of becoming homeless. We aim to do this in ways that are environmentally sustainable and which promote community cohesion. Our services are available to anyone who is assessed as needing them, within the limits of our resources and the constraints of any statutory or contractual requirements. We believe in potential, not problems, and we encourage young people to see past their current situation and work towards a successful future.

The Trustees have a very strong regard for the public benefit guidance published by the Charity Commission in compliance with its duties under Section 17 of the Charities Act 2011.

This guidance sets out two key principles:

- the organisation must have an identifiable benefit; and
- the benefit must be open to the public or a section of the public.

This report covers Year Three of our 2017-20 Organisational Strategy which set out our objectives for the growth and development of Depaul. Our focus over the period of this strategy is to:

- work with young people to prevent them becoming homeless;
- build the resilience of those young people living in our supported accommodation provision; and
- energise the communities around the young people we work with to ensure local support is developed around every young person with whom we work.

In creating this strategy, the Trustees considered the high level of impact that Depaul has for young people who are homeless. The provision of accommodation and support fully meets the Charity Commission's public benefit test. The Trustees are currently working on a new six-year strategy which will start in 2021.

B. ACHIEVEMENTS AND PERFORMANCE

Depaul works with some of the most disadvantaged people in the UK. We specialise in working with young people and in communities where poverty and long-term unemployment have resulted in generations of social exclusion and high rates of homelessness.

We believe no-one should have to sleep in an unsafe place and, while we work to provide the accommodation that offers an immediate answer to homelessness, it is also a vital part of our work to prevent people from becoming homeless in the first place.

For more than 30 years, we have grown as an organisation and now deliver a range of services across the UK. In 2019, Depaul provided support to 4,191 clients in accommodation services, in the community and in prisons.

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We worked with a further 6,593 through our schools and education programmes.

Supported Accommodation and Community-based Support

Depaul provides supported accommodation and/or floating support services in the London boroughs of Brent, Camden, Lewisham, Southwark, Westminster, Islington and Bromley and also in Kent. In the North of England, we work in Sheffield, Newcastle, North Tyneside, South Tyneside and Teeside, In Greater Manchester, we work in Manchester, Oldham, Rochdale, Stockport and Tameside.

Our accommodation largely consists of small shared homes where support staff work alongside young people to help them achieve independence and prevent their future homelessness. These homes are modelled on a family home, where possible, with a lounge and a large kitchen for cooking, eating and working together.

In addition to our core housing and support work, we provide support in refuge accommodation for women and their children leaving domestic abuse, provide shelter and support for rough sleepers and run a number of young parents' services.

In 2019, 868 people received support in a Depaul-supported accommodation service and a further 588 received support in a floating support service. Floating support is that which is provided to clients who are living independently of Depaul accommodation.

Prison Resettlement

Depaul continues to work in the criminal justice system. We work with offenders because we recognise they are among the most marginalised and chaotic members of society. We know that individuals lacking in suitable accommodation on release are significantly more likely to return to patterns of offending behaviour.

In 2019, Depaul worked in three prisons and Youth Offender Institutes in London. Across all our prison-based services we provided 1,251 offenders with essential housing advice, helping them to secure suitable and stable housing or to access help. While this was an increase from 1,216 in 2018, we fell just short of our Business Plan target of 1,350 for 2019.

Family Mediation

Many of the young people served by Depaul find that their relationships with their families have broken down and they require our support to help them rebuild their family ties. In 2019, we launched our family work based on our previous delivery of Reconnect family mediation and our experience of delivering the work of SAFE@LAST, and supported 347 families.

The Depaul Nightstop Network

In 2019, Depaul led a network of 31 active Nightstop services from Glasgow to Guernsey. We believe that no young person should sleep in an unsafe place – ever. To prevent this we place young people in the homes of trained volunteer hosts while we try to find them long-term accommodation.

In 2019, we provided 8,967 safe bed-nights across the UK for people who had nowhere else to go. This meant that 944 people were provided with a vital safety net, preventing further homelessness and giving them a sanctuary in their hour of need.

We could not do this without the brilliant Nightstop volunteers. Last year, 1,116 people volunteered for Nightstop in a range of roles from drivers and chaperones to hosts and mentors. This included 678 homes available to open up their spare rooms to someone in need.

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Last year, Depaul's directly run Nightstop services in South Yorkshire, London, Greater Manchester, the North East and Cumbria provided 2,751 bed-nights to 208 people in 213 volunteer homes. We launched the new Depaul-run Nightstop in Hertfordshire.

We could not have done any of this work without the generous support of LetterOne and players of People's Postcode Lottery whom we particularly thank.

Data Recording and Results

At Depaul, we pride ourselves in our astute use of information and data to understand better – and to meet the needs of – the people we work with.

By recording how and when people begin their journey with us, we can keep a record of the needs they identify and the key events indicating how they change while they are with us. For example, a young person might say they have problems with their mood when they first become involved with Depaul and, subsequently, report that they have stopped self-harming. This would be recorded as a positive change. The percentages outlined in this report show the proportion of people, with an identified need in each area, who have experienced a recorded positive change. The results are based on outcomes data recorded in relation to the young people who lived in Depaul accommodation or received support from us last year.

In 2019, we launched a new outcomes measurement framework that has been developed after extensive consultation with young people, our staff and with academics: the Youth Homelessness Outcomes Tracker (YHOT). This has been developed together with a digital tool to help us measure accurately the intrinsic and extrinsic outcomes achieved by young people. Our thanks goes to the Oak Foundation for its financial support and for giving us the time and opportunity to develop this new framework and tool. Our ambition is that the information it collects will help us to understand better how change happens for young people and how we use that learning to provide more effective support.

2019: The Results

People supported:

We said 2,350 clients would receive housing support.

We delivered housing support to 2,668 people who either stayed in Depaul accommodation or were supported in the community by Depaul staff. This represents a 33 percent increase on the 2,008 people who received housing support with Depaul in 2018.

We said that 2,850 bed-nights would be provided through Depaul's directly run Nightstop services and more than 12,000 bed-nights through the entire Nightstop Network.

We delivered 2,752 bed-nights through our directly run Nightstop services and 8,947 bed-nights through the entire Network, falling short of our targets for 2019. It is not clear why our targets were not achieved, and we are therefore planning a thorough review to find out what is happening with the Nightstop model.

We continue to review opportunities to expand and improve our Nightstop offer in response to the trend towards fewer young people staying for longer periods of time in Nightstop placements. Our emphasis in 2019 was on careful monitoring and increasing positive move-on from Nightstop placements, decreasing the need for young people to return to Nightstop as an emergency solution.

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Relationships:

We said that half (50 percent) of the people we worked with in 2019 would have “improved relationships”.

We substantially beat this target with 89 percent of the people we worked with reporting positive change in their existing relationships. Our focus on this area reflects our belief that strong relationships play a critical role in increasing young people's resilience.

In addition, we provided family mediation support to 347 young people, which is a seven percent increase on our 2018 performance (when 324 young people were supported), albeit narrowly missing our challenging target of 350 families.

Independent living:

We said at least 85 percent of the people we worked with would be more able to look after themselves independently. More specifically, we wanted 70 percent to have improved their ability to cook for themselves.

Our performance was significantly above target, and exceeded that of previous years, with 92 percent of those who needed help to look after themselves showing evidence of improvement in practical life skills such as cooking, cleaning or using transport and/or were better able to manage their own finances. Ninety-one percent of our clients with an expressed need around personal money management showed an improvement in this area.

We fell short of our aim in relation to cooking skills as just under two thirds (61 percent) were better able to cook for themselves when they left a Depaul service. However, this is a significant improvement on 2018's performance (52 percent). Cooking skills are essential if young people are to be able to maintain a healthy lifestyle, and we are optimistic that our efforts to improve performance in this area, such as redesigning the physical layouts of our large services to put the kitchen back at the heart of the home, is assisting us to meet this target.

Mental health and substance

In our 2019 Business Plan we said that 90 percent of those who entered our services with a mental health need would have made steps towards improving their mental health. We wanted at least 20 percent of these clients to have reduced any harm they inflict on themselves through self-harm or substance misuse.

We have made significant progress on our Mental Health and Wellbeing approach over recent years and, in 2019, recorded 95 percent of those with an identified mental health support need had engaged with mental health support and/or saw improvements in their mental health. This compares with 82 percent in 2018. Of those clients engaged in self-harming behaviour through substance misuse, 83 percent reduced the harm to themselves by reducing their substance use, compared to 72 percent in the previous year.

We continue to put positive mental health and wellbeing at the heart of our approach to working with our clients.

Education, Training and Employment:

We said we would support three-quarters (75 percent) of those with an Education, Training and Employment (ETE) need to take steps towards becoming ready for employment.

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Although the experience in this area was varied, 82 percent of our clients who identified this as an area of need saw positive change. For some, it involved engaging in discussion around ETE goal-setting for the first time, which is a huge step for those who have completely withdrawn from education or employment. Others produced CVs or started jobs while being supported by Depaul.

Health

We said that at least 80 percent of those with a health-related issue needed to improve their health and wellbeing.

91% of clients who said health and wellbeing was an area of concern for them experienced positive change in at least one of these areas, demonstrating strong performance in this area. This is up from 75 percent in the previous year.

Changed Lives

Cassie, now 24, was 19 when her parents told her to move out. Living with Bipolar Disorder and an eating disorder, she developed a drug dependency and moved into temporary accommodation in a hostel. Though not living in Depaul UK accommodation, a special scheme allowed her access to a Depaul Progression Coach, who she credits with getting her life back on track.

This is her story:

'I was 19 when mum and dad kicked me out of my family home. Two months prior, I had been hospitalised and diagnosed with Bipolar Disorder.

I'd been a very happy, confident girl at school, but I got mental health issues around 17, and that's when it all went downhill. I had Anorexia and I was depressed, so I used weed to numb it. I robbed from my own family to pay for it and that's how I got kicked out. I was sofa-surfing for a week and a half but I needed my own space. Citizens Advice said I should go to the library for help. They told me a hostel had a bed open for me. I was living in hostels for about 18 months.

I was lost. I was a girl on benefits, no job prospects. I just wanted love, but I didn't love myself. I made a plan to overdose, using heroin and crack, but I thought, "It's not fair on my mum".

That was when I met Alan, a support worker from Depaul UK. He was my support worker for two years. He made me see the light again in my life. I could open up to him. He never judged me, whatever I said. When you have depression, it's hard to get out the house and stuff. He helped me with applications, with my benefits, or he'd take me to appointments.

I started volunteering at Depaul UK as a mentor, using my life experience to help other people. It's nice to give back and give people hope. I've earned a counselling qualification. I won an award. I've been volunteering at Depaul for 16 months and I've started applying for paid jobs now, in support roles. It's helped my confidence.

I was able to bid on a council flat and I'm still living there, three years later. It's quite near my mum's house. Things are better with my mum now. She's my best friend. I love her.'

Client involvement

At Depaul UK our client involvement approach starts with empowering young people to be at the heart of their own support programme. The young person has control over their own outcomes tracker – a soft outcomes tool designed by young people themselves to monitor progress against a set of indicators that they have determined to be the most important in helping them succeed towards independence. At local level our Young People are involved in improving the service they receive through service meetings, satisfaction surveys and through our Comments, Complaints and Compliments Procedure. Our Youth Advisory Boards (YABs) operate at a Regional

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in each region. They are coordinated through the Programmes Team. The YABs come together to form one National Advisory Board that brings together young people from all over the country to explore similarities and differences in their experiences. The National Advisory Board organises attendance at the national Youth Homelessness Parliament – an opportunity for young people affected by homelessness to come together from across the country and influence central government policy on youth homelessness. A highlight of the year is the annual client conference when representatives of young people in Depaul's services all around the country come together for 2-3 days and determine their key priorities for Depaul UK's Executive to address over the coming year in their business plan through a presentation to members of the Executive Team.

Communications

In 2019, we continued to invest in communications to ensure that the stories of the young people with whom we work are heard and that Depaul UK's work becomes better known.

We have worked during the year to develop our brand and tone of voice to allow us to communicate more effectively with our supporters. We have also worked with the rest of the Depaul family to deliver a new website. This is vital for us to grow our fundraising and raise our profile. An external agency has helped us understand more about the motivations and needs of current and future supporters.

In 2019, Depaul celebrated its 30th Anniversary with three major events to mark this important milestone in our history, including a Depaul Youth Homelessness Roundtable at 10 Downing Street involving young people from our services. Depaul UK's Head of Communications also worked with Cardinal Vincent Nichols, Archbishop of Westminster, and his team on a statement in support of our work. Both stories were well covered by the Catholic press.

In total, 99 pieces of publicity were achieved in 2019. These included substantial publicity successes such as three articles in The Guardian, four in the London Evening Standard and a letter in The Times, written by Depaul on behalf of the CEOs of six major homelessness charities during our joint General Election campaign.

In respect of Depaul UK's digital media, Facebook engagements were 14,768, with a digital campaign helping to engage a wider audience towards the end of the year. The monthly unique visitors to the Depaul UK website during the year totalled 141,398 - 11 percent higher than the target of 127,500.

We continue to work to develop our capacity to reach interested audiences through the most cost-effective methods, focusing on taking a targeted approach to digital channels.

Policy and Public Affairs

Our political influence continued to grow in 2019 – a year in which Depaul received a record number of mentions in Parliament. The Prime Minister's team at 10 Downing Street hosted our 30th Anniversary roundtable, attended by ministers, special advisors and chief executives from the homelessness sector. We were also part of a joint homelessness General Election campaign.

In a year characterised by political instability, we still managed to meet with four ministers, including the Secretary of State for Work and Pensions, and worked closely with the Mayor of Greater Manchester. A highlight was a visit to Sherborne House by the Minister for Welfare Delivery, who answered tough questions put to him by young people and, on social media, described the visit as "brilliant". His officials also asked us to help draft guidance for Jobcentre staff working with people who are homeless. The work we put into these political relationships will help us to secure policy changes in 2020 and beyond.

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**TRUSTEES' STRATEGIC REPORT
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Value for Money

We developed a Value for Money Strategy during 2019 based around the four core principles of economy, efficiency, effectiveness and equity. A significant outcome of this work was an improved, organisation-wide approach to procurement to realise the opportunities for cost savings, social value and improved environmental performance, the benefits of which we expect to see in full from 2021.

We continue to develop our performance monitoring systems to add to the performance data already collected and evaluated by our finance and data and evaluation teams.

Voids and arrears reporting remains a key priority and is considered both in budget-setting and in the review of financial performance by the Finance, Audit and Compliance Committee and the Council of Trustees. We collected a creditable 95 percent of rent due in 2019 and, at the end of the year, the percentage of rent owed against that due from rent arrears owed by our current residents was just 5.3 percent. These were our best figures since 2012.

iAspire

iAspire, a Social Impact Bond-funded service managed by Depaul UK, worked intensively during 2019 with 220 young care leavers across the London boroughs of Lewisham, Bromley and Royal Borough of Greenwich.

Commissioned by the Department for Education, the performance of Depaul's iAspire service is measured by the achievement of a series of short and long-term outcomes centering on achieving and sustaining education, training and employment placements, as well as a series of self-reported softer wellbeing outcomes by the young people signed up to it.

Strategic Planning

In 2020, we will deliver the final year of our current strategic plan. The headline objectives are:

PREVENT HOMELESSNESS:

We will achieve this by:

- The Nightstop Network expanding its capacity so that more young people with nowhere else to turn have a bed available to them when they need one.
- Our SAFE@LAST and Reconnect Family Mediation Services supporting families each year to prevent future homelessness.
- Our SAFE@LAST education programme reaching schoolchildren with important prevention messages about the dangers of running away, sleeping rough and how to find help in a crisis.

INCREASE RESILIENCE:

We will achieve this by:

- Improving our understanding and ability to provide effective psychological and trauma-informed care. We will connect our work with young people who are experiencing homelessness, and facing problems with their emotional and mental wellbeing, to proven therapeutic responses.

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- Training and empowering our staff and volunteers to provide an Endeavour response, recognising young people's assets and their potential as well as creating opportunities for them to realise their potential at home, in relationships and at work.

ENERGISE COMMUNITIES:

We will achieve this by:

- Increasing the number of Endeavour Centres where young people will find a safe and inspiring place to discover more about their potential from local experts and their peers.
- Delivering community-based programmes that support young people into work, volunteering and to live as contributing and thriving members of society. Our community teams will support volunteers, local companies and community organisations to make and sustain these offers.

In 2020, Depaul's targets are:

- **2,750** people in accommodation services;
- **10,000** safe places to sleep through the Nightstop Network for **1,000** young people;
- **75 percent** of young people who used Nightstop to move positively into somewhere safe and sustainable;
- **85 percent** of young people accessing our family support work to have improved relationships at home; and
- **350** families across **four regions** helped through its mediation services.

We will be measuring our performance against the following objectives:

- **89 percent** of those leaving Depaul supported accommodation in 2020 will have moved on in a planned way;
- **85 percent** will have improved their independent living skills; and
- **85 percent** will have gone into Employment, Training and Education opportunities.

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Future Plans

2020 marks the last year of our current organisational strategy and Depaul is busy preparing for its new strategy which will provide the direction for 2021-2026. The review of our current plans and business model, involving extensive consultation with clients and staff, the homelessness and housing sector and with the Government and with other key stakeholders, will inform our exciting and ambitious plans for the future.

We will not reinvent the wheel, as our overarching approach and priorities led by our Vincentian values, have been proven to address effectively what the people we work for need to lead better, healthier and more independent lives.

However, there are some persisting and some new challenges to which Depaul needs to respond:

1. There is a great and increasing need for provision of services and support for families and individuals who are homeless, at risk of homelessness or experiencing the effects of being homeless in the UK. We believe that, in particular, the social and economic implications of the Covid-19 pandemic will be felt for years to come and will increase inequalities. High levels of unemployment, record numbers of people accessing Universal Credit and a great strain being placed on households and family relationships are likely to result in a spike in the number of people across the country experiencing homelessness. Hence, we expect to see significant homelessness in all its forms over the next decade.

2. Homelessness is a complex and evolving problem. Tackling it requires dynamic and innovative solutions that start with individual needs as opposed to providing one-dimensional blanket solutions. Homelessness is a complicated issue and the faces of homelessness change continuously. The overall response in the UK, however, does not adequately reflect this. Programmes for housing and support, innovation and prevention constantly address the problems of individuals who are homeless or at risk of homelessness. They solve homelessness one person at a time and do so through approaches that meet the needs of defined groups. These solutions, and their continuous refinements, need to be based on evidence such as data that allows us to understand the causal relationship between inputs and outcomes. There is currently a great deal of information and data collected on individuals in some parts of the system, and little collected on others. Evaluation of the data is generally weak, making it difficult to find out the impact of work. The collection and effective evaluation of relevant data is crucial to being able to design and develop effective responses.

3. Homelessness is a national and a global challenge that requires action at local, national and international levels if it is to be tackled sustainably. The United Nations' Human Settlements Programme estimates that 1.6 billion people live in inadequate housing, and the best data available suggests that more than 100 million people have no housing at all. There are an estimated 150 million people who are street homeless. During the past decade, the number of people affected by homelessness has been steadily increasing. Homelessness is an issue that affects people across the world in a variety of ways and it means different things in different cultures.

While Depaul UK's focus lies with ending homelessness in the UK, it embraces that being part of an international homelessness organisation means playing a role in the international effort to tackle homelessness worldwide. Depaul UK will specifically support global advocacy, campaigns, awareness raising and research work through the Institute of Global Homelessness (IGH) and we will raise more funds to deliver our mission and respective strategic plans through harnessing our international set up for national fundraising strategies, including strengthening our approach to joint funding bids. We will collectively strengthen the Depaul family as a whole through exploring support across Depaul subsidiaries and we will be sharing evidence, best practice and innovation with our international members.

Having said that, we work in the UK and are very well aware of the complexity that leads to homelessness and the continuous evolution of this challenge. We also acknowledge that an organisation that wants to do this job well cannot separate how it works with clients (how we run services and programmes) from the way it manages resources and engages staff, partners and stakeholders (the way we run the organisation).

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Changed Lives

Callum, now 23, left care at 18. After finding a job, his rent became unaffordable. He became homeless and his mental health deteriorated to the point that he lost his job. After finding temporary accommodation through Nightstop, Depaul offered him longer-term accommodation and provided him with support and skills needed to pursue his dream of being a fire fighter.

This is his story:

As a young child I was in the care system. At 18, I moved into my own flat. I was on benefits, just scraping by, so I got a full-time job as a labourer, but then my rent went up beyond what I could afford. That's when I became homeless. I'd left the care system, where everything is in place for you, for a world where there's a lot to contend with.

I stayed with mates, different people's sofas. Eventually, you've used up all your options. It had an effect on me. My mental health at the time wasn't good. I was depressed and I lost my job.

My local housing group put me into contact with Depaul UK, who got me into Nightstop. I was very apprehensive because you're going to someone's house, you've never met them before. Then I met my Nightstop host and she helped me to settle in. She was lovely.

After two weeks, Depaul UK sorted out my own flat. I was there for about a year and a half. While I was there I was volunteering with the Fire Service, full-time. A job came up with the Fire Service, a full-time, permanent role, but I needed a driving licence. Depaul UK helped me to get driving lessons and take my test so, when the job came along, I was ready. I got the job.

My next step is to go for full-time firefighter and I need to have my GCSE Maths and English to do that. My Progression Coach at Depaul UK helped me to apply for an education grant and I got the full amount, so now I'm working towards the qualifications I need.

Ever since I was a little boy, I've always been really keen on helping people. I wanted to be a paramedic or a firefighter. Firefighting, it's not just rescuing people, it's the getting involved with your communities as well, supporting people who have been in the same situations as yourself. Giving back to society. I'm living in a house-share now, with other professionals. I'm feeling good. The future is good, hopefully.

Role of Volunteers

Volunteers play a vital role in the work of Depaul across Nightstop UK, services and programmes.

Depaul's Nightstop service provides young people with emergency accommodation to young people in the homes of volunteer hosts, who are fully trained and vetted. They are the backbone of the service as they open their homes to young people in crisis, providing them with a room, a hot meal, shower and someone to listen.

Young people stay with hosts for anywhere between a night and three weeks, while Depaul works to find them more permanent accommodation. Depaul directly delivers Nightstop services in the North East and Cumbria, South Yorkshire, Greater Manchester, Hertfordshire and London. In these areas in 2019 we had 213 active hosting households, ready to provide a young person with somewhere to stay.

Hosts aren't the only volunteers that Nightstop relies on. For the service to run smoothly, we also have volunteer drivers and chaperones to support the young people to get to the host's home, as well as volunteers who support with administrative work, promoting the service and mentoring young people. In total, 388 individual volunteers supported Depaul-run Nightstops in 2019 (including all adults in a host home).

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Depaul also runs Nightstop UK, which accredits and supports all services delivered by other organisations as part of the Nightstop Network. There are 31 Nightstop Services in total. Across the network in 2019, we had 678 hosting households and 1,116 individual volunteers.

Volunteering

In 2019 we were supported by community volunteers in a variety of different roles, directly helping people who access Depaul services through one-to-one mentoring and group sessions. Volunteers have also supported service delivery through administrative and finance roles. There was a 15 percent increase in mentoring support compared with 2018. Volunteer mentors directly supported 55 young people in their accommodation projects and out and about in the community.

The European Voluntary Service (EVS) has ended, but Depaul has welcomed six new European volunteers on the European Solidarity Corps programme.

We engaged more students in volunteering as part of their career development modules.

We continued to receive corporate volunteering support in various forms. The North East turkey dinner engaged 10 volunteers from Mears Group who collectively provided more than 90 hours of volunteering. 2020 will bring more support and opportunity to engage corporate volunteers. The Volunteering Team will work closely with the Fundraising Team on this development.

The second half of 2019 saw an increase of volunteer support when the national volunteering team was developed. Led by a Volunteering Manager, there is a Volunteer and Mentor Coordinator post for each region. The Volunteering Team reviewed the Volunteering Policy, procedures and Standard Operating Procedures (SOPs) to be implemented in 2020, and a "Supporting Volunteers" workshop is in development to be delivered to staff as part of the core learning offer. This will support projects to build capacity and add value by involving and supporting volunteers, increasing the number of roles and opportunities available to volunteers.

Financial Review

Reserves Policy

Depaul UK's reserves policy is based on a risk analysis approach and recommends that the charity maintains reserves to manage risks such as:

- funding shortfalls;
- cost overruns on major projects and planned working capital needs;
- extraordinary costs which could arise from risks such as major systems failures;
- one-off items such as feasibility studies for development funding for new projects; and
- additional finance risks that could arise from current borrowing.

The Trustees have concluded that the general reserves level should be in the range of £1.6m to £2.4m. Under the policy, a review must be conducted each year. The latest review was conducted in May 2020 and a further review will be carried out in early 2021 which will consider the latest risks arising from the Coronavirus pandemic.

General funds held at 31 December 2019 were £1.482m (2018: £1.743m). Although this is within the acceptable range, our financial strategy will consider opportunities to increase reserves within the target range for the benefit of the delivery of our strategic objectives.

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The Charity holds a number of designated funds:

- Fixed asset designated funds which represents the amount of money tied up in fixed assets and, therefore, not available.
- Maintenance designated funds which are the amounts we hold in respect of the properties we own or manage and are used for property maintenance over and above day-to-day maintenance costs.
- The fund "Depaul Housing Services" representing the long-term loan due from Depaul Housing Services (a non-consolidated subsidiary) on the sale of Compass House. The designated fund will be released to the General Fund as the loan is repaid.
- The Designated Fund for Capacity Development which consists of funds set aside to support the review and strengthening of systems in our central functions.
- The Property Development Fund is held in respect of investment in properties.
- The Endeavour Fund represents funds set aside to support the development of Endeavour Centres in the UK.

Reserves held at the end of the year were:

	£000	
	2019	2018
Fixed Asset Designated Fund	3,650	3,467
Maintenance Designated Fund	90	92
Depaul Housing Services designated fund	132	139
Business Improvement & Fundraising	-	-
Property development fund	1,500	1,500
Endeavour fund	53	53
Manchester Action Research project	-	21
Restricted funds	1,291	1,410
General funds	1,482	1,743
Total funds	8,198	8,425

Depaul UK continues to operate on a going-concern basis. The Trustees have regularly reviewed detailed financial projections which in 2020 included a realistic estimate of the effect of Covid-19 on the Charity's income and expenditure. Although the impact of Covid-19 on voluntary income has been significant and comparable to that across the sector, it has been mitigated by some reduced costs and additional income elsewhere in the organisation. Financial forecasting indicates a comparable position for 2021 and the method of delivery of services and support is being reviewed to ensure the cost base is flexible to income volatility in 2021 and beyond. Initial forecasts anticipate a net break-even position across 2020 and 2021.

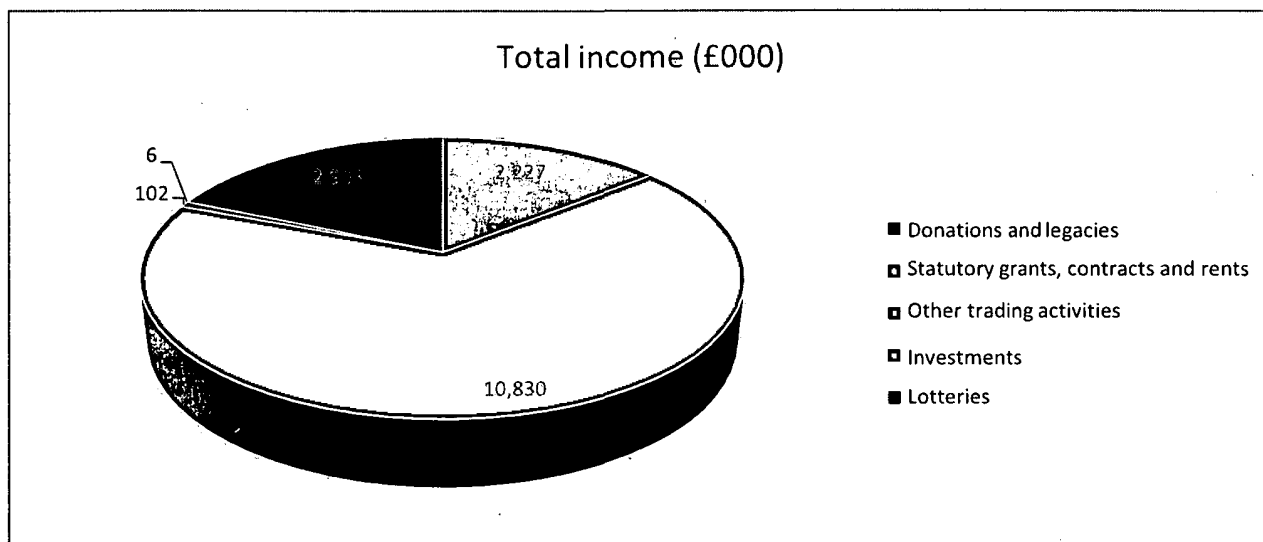
The Charity and its subsidiaries own a number of properties which could be sold in the event that income underperformed against our conservative forecasts.

Principal Funding and Cashflow

Total income in the year to 31 December 2019 was £16.068m which was £1.170m (7%) less than in 2018. This reduction was the result of the loss of a significant contract in Greenwich in Q3 of 2019, and volatility in the Charity's voluntary income.

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Charitable expenditure increased in the year by £866k while expenditure on raising funds increased by £97k. The increase in charitable expenditure despite lower income reflects both the competitive tendering environment and our investment in overheads to support our long-term plans for sustained growth and efficiency through continuous improvement.

The fundraising return on investment reduced to 3.1:1 (2018: 3.9:1) whilst the percentage spend on charitable activities remained constant at 90%.

Governance costs for 2019 were £43,000 (2018: £40,000) and are shown in note 8 in the financial statements.

Fundraising Activities

Around 33 percent of Depaul UK's income comes from voluntary donations from our kind and committed supporters. Thanks to the fundraising and donations of volunteers, supporters, trusts and corporate partners, large and small, we are able to raise the funds we need to help deliver existing services - and create new ones - that aim to end homelessness for young people in the UK.

In the year ending 31 December 2019, voluntary income from donations, lotteries and events amounted to £5.232m, which is a 16 percent fall on 2018's actual voluntary income of £6.235m and a 15 percent reduction on the budget of £6.175m. There was a significantly higher level of income in 2018 due to a large legacy gift and a large donation from one corporate partner. In 2019, a major fundraising project for Depaul UK was the World's Big Sleep Out's London event, held in Trafalgar Square in December. It proved useful for building partnerships and cementing relationships with funders, although as a fundraising event in itself it did not perform as well as had been originally hoped.

Reliance on a small number of donors has led to a change in direction for key areas of fundraising to enable longer term growth and a more sustainable income stream. We are already seeing strong performance in key KPIs which we believe will lead to funds that will compensate in future years for our reduced income in 2019.

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This income in 2019 included:

- £2,903million (55 percent) which came from the proceeds of People's Postcode Lottery draws. Players of People's Postcode Lottery have enabled transformational change for Depaul UK, for which we continue to be hugely grateful.
- £1,154million (22 percent) of our income from Trusts and Foundations which have supported a range of key areas of Depaul's work, ensuring that we can directly support projects across the UK and innovate to ensure the people we support get the right support for them at the right time.
- £574,000 (11 percent) of our support comes from individuals. This income includes regular givers, major donors and legacy gifts. People who give generously from their own pocket to make real change in their communities.
- £346,000 (seven percent) of income comes from our Corporate Partners, companies who continue to be dedicated to the work of our Charity, not only by raising funds but through *pro bono* and volunteering support.
- £255,000 (five percent) comes from Community fundraising and events.

Overall, expenditure on fundraising in the year was £1.687 million. This compared with £1.590 million in 2018. With a lowered income and higher expenditure, our fundraising return on investment has reduced. However, our continued focus on the future of fundraising is to ensure we can diversify our income streams to create greater sustainability in the Charity's funding.

Without the support of all of these wonderful people and organisations we could not deliver the work that is needed to help the thousands of people who face homelessness every year. We absolutely recognise and appreciate that we must be transparent in how we work with donors, be open in our communications and ensure that we build a trusting relationship that can change young people's lives for the better. We must continue to inform and inspire current and future donors with the reality of issues associated with homelessness facing this country and what they can do to make a real difference.

In 2019, we continued to keep in touch with our current donors through key communications such as the Safe & Sound newsletter and reached out to new supporters through insert campaigns in selected national newspapers and magazines and a range of digital channels. In 2020, we plan to continue to invest in our fundraising and strengthen our marketing through increased direct and digital marketing activity. We will work with a range of agencies which will support us in the delivery of these key projects, and we will monitor all activity through our fundraising performance targets, individual objectives and KPIs.

We are registered with the Fundraising Regulator and adhere to its Code of Fundraising Practice. We will not put undue pressure or unreasonably intrude on anyone to make a gift. We do not currently raise funds through telephone fundraising or work with any agency to do so. If any of our donors do not wish to receive future communications from us, we are clear in our mailings and on our website about how to advise us of this decision. The same is true if a current donor would like to stop donating to Depaul. We are also clear about how complaints can be made and about our plan to deal with these quickly and appropriately. In 2019, we had eight fundraising complaints from our donors. We warmly welcome any opportunity to improve the way we work with them. We always aim to respond to any complaints quickly and effectively.

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Pay Policy for Senior Staff

The Trustees, who are also directors of the charitable company, give of their time freely and no Trustee received remuneration for the year.

Details of Trustees' expenses and related party transactions are disclosed in Note 26 to the accounts.

In setting the CEO's remuneration and reviewing it (not less than every two years), the Chair's Committee considers how a fair salary can be set taking into account:

- the purposes, aims and values of the Charity and its beneficiary needs;
- how these impact on the CEO's pay and, in particular, including whether a "discount" compared with pay for similar roles in other sectors is appropriate;
- the types of skills, experiences and competencies that the Charity needs from its CEO, the specific scope of these roles in the Charity and the link to pay;
- the Charity's current business plan and how the implementation of this plan may affect the number of senior staff the Charity needs to employ or recruit and the nature of these roles and their link to the CEO;
- the Charity's ability to pay. This includes the cost to the Charity of raising pay, and whether it is sustainable, and how appropriate the level of pay and any pay increase is in the context of the Charity, as measured against the needs of its charitable purposes and beneficiaries;
- their assessment of the Charity's performance and the CEO's performance against expectations, both short and long term;
- appropriate available information on CEO pay in other organisations that can help make the decision on whether a level of pay is fair and reasonable with explicit reference to the views of the Depaul Group's CEO and Chair;
- the nature of the wider "employment offer" they can make to the CEO where pay is one part of a package that includes personal development, personal fulfilment, and association with the public benefit delivered;
- the likely impact on, and views of, beneficiaries, donors, funders, volunteers and potential volunteers, where appropriate.

The pay of other senior staff is reviewed regularly and normally adjusted in accordance with a benchmark of similar roles in peer organisations in the sector. The remuneration is set at a median point of the range paid for similar roles.

Risk Management

The Trustees acknowledge their responsibility for the Charity's system of internal controls and reviewing its effectiveness. They recognise that the Charity's risk management system is designed to manage rather than eliminate the risk of failure to achieve the Charity's objectives and can only provide reasonable, but not absolute, reassurance against material misstatement or loss.

The risk management framework includes reporting of the Charity's Corporate Risk Register to Trustees and thematic risk register reporting to committees of the Council of Trustees on a quarterly basis.

Identified headline risks which could impact upon the Charity's ability to achieve its objectives and to which Trustees have given due consideration, and are satisfied of the processes to manage, include:

- **Government Policy** – As a charity, a substantial portion of our work is linked to the Government's own statutory responsibilities in relation to homelessness and the Charity is therefore exposed to changes in Government policy in this area. This risk is managed through a commitment to maintaining an agile business model which enables us to respond swiftly to changes in government policy.

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- **Income** – Like most charities, our work depends on the generous contributions from our donors and grant funders. Uncertainties in the economic climate are likely to impact on changes to Government-funded priorities or availability of funds. In turn, this introduces uncertainty in our income streams which we respond to by maintaining a focus on income diversity in our strategic and business planning.
- **Contract Terms** – With increased pressure on our operational contracts we are required to deliver more, at a high standard, for less. In response, we actively pursue efficient ways of working while not compromising on the quality of the services which we deliver. In addition, our financial strategy will look to manage the competing priorities between cost and quality.
- **Technology** – Using Information Communication Technology (ICT) is inevitable in all of our work, although advances in ICT technology also mean increased risks of cyber-crime which could impact on our service delivery and costs. Through Cyber-essentials accreditation we have introduced the tools to the organisation to protect against cyber-crime.
- **Safeguarding** – We work with some of the most vulnerable people in mainstream society and issues of their safety, health, mental health and wellbeing and providing safe environments for our employees and volunteers are central to everything we do. This is achieved in a number of ways including through a commitment to training and a robust policy frameworks and incident reporting system.
- **Covid-19** – The short term impact of Covid-19 has been identified and mitigating actions have successfully been taken to protect the charity's reserves and future sustainability. We recognise the risks that arise from the longer term uncertainties resulting from Covid-19 and have therefore strengthened our commitment to efficient and effective operations and the development of a sustainable business model which has diversity of income and an agile cost base. We have, and will continue to ensure that we do, respond to any opportunities arising from the pandemic where they support the delivery of our charitable aims.

During 2021 we will be launching a fundamental review of our entire approach to Risk Management to ensure it continues to be effective and is agile in response to the eternal environment in which we operate. Our review will address how our practice can be improved with the use of digital solutions to create a new "dynamic and live" as well as strategic approach to risk management.

The Trustees (who are also directors of Depaul UK for the purposes of company law) are responsible for preparing the 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

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

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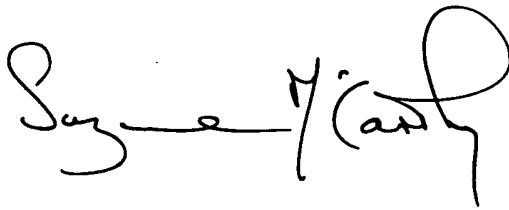
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements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

Provision of information to the Auditor

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' Strategic Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, in their capacity as company directors and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Suzanne McCarthy', with a large loop at the end of the name.

Suzanne McCarthy, Chair
Date: 17 December 2020

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL UK

Opinion

We have audited the financial statements of Depaul UK (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL UK (CONTINUED)

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report and the Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic 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:

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEPAUL UK (CONTINUED)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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.

Use of our report

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



Tim Redwood (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 18 December 2020

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

DEPAUL UK
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019**

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	2019 £000	2019 £000	2019 £000	2018 £000
Income from:					
Donations and legacies	4	975	1,252	2,227	3,342
Charitable activities	6	10,432	398	10,830	10,997
Other trading activities		102	-	102	28
Investments	5	6	-	6	6
Lotteries	7	2,903	-	2,903	2,865
Total income		14,418	1,650	16,068	17,238
Expenditure on:					
Charitable activities	8	12,844	1,769	14,613	13,747
Raising funds		1,687	-	1,687	1,590
Total expenditure		14,531	1,769	16,300	15,337
Net gains/(losses) on investments		5	-	5	(4)
Net movement in funds		(108)	(119)	(227)	1,897
Reconciliation of funds:					
Total funds brought forward		7,015	1,410	8,425	6,528
Total funds carried forward		6,097	1,291	8,198	8,425

The Statement of financial activities includes all gains and losses recognised in the year. The notes on pages 29 to 50 form part of these financial statements.

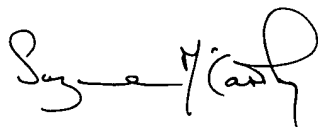
DEPAUL UK
(A company limited by guarantee)
REGISTERED NUMBER: 02440093

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	11	3,650	3,804
Investments	12	92	83
Social investments	13	47	47
		<u>3,789</u>	<u>3,934</u>
Current assets			
Debtors	14	3,010	2,620
Cash at bank and in hand		3,569	3,722
		<u>6,579</u>	<u>6,342</u>
Creditors: amounts falling due within one year	15	(1,641)	(1,269)
Net current assets		<u>4,938</u>	<u>5,073</u>
Total assets less current liabilities		<u>8,727</u>	<u>9,007</u>
Creditors: amounts falling due after more than one year	16	(529)	(582)
Total net assets		<u>8,198</u>	<u>8,425</u>
Charity funds			
Restricted funds	17	1,291	1,410
Unrestricted funds	17	6,907	7,015
Total funds		<u>8,198</u>	<u>8,425</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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



Suzanne McCarthy

Date: 17 December 2020

The notes on pages 29 to 50 form part of these financial statements.

DEPAUL UK
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	<i>2018</i>
		£000	<i>£000</i>
Cash flows from operating activities			
Net cash used in operating activities	19	(109)	<i>879</i>
Cash flows from investing activities			
Dividends, interests and rents from investments		6	<i>6</i>
Purchase of tangible fixed assets		(50)	<i>(458)</i>
Net cash used in investing activities		(44)	<i>(452)</i>
Change in cash and cash equivalents in the year		(153)	<i>427</i>
Cash and cash equivalents at the beginning of the year		3,722	<i>3,295</i>
Cash and cash equivalents at the end of the year		3,569	<i>3,722</i>

The notes on pages 29 to 50 form part of these financial statements.

DEPAUL UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Depaul UK is a company limited by guarantee and Registered Charity. Registered company No. 02440093 registered in England and Wales and Registered Charity No. 802384. The Registered Principal office is 34 Decima Street, London, SE1 4QQ. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company has elected to apply all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), prior to mandatory adoption for accounting periods beginning on or after 1 January 2019.

Depaul UK 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.

2.2 Going concern

In response to Covid-19, we reviewed our budgets and forecasts for 2020, 2021 and, tentatively, 2022 and identified a possible fall in voluntary income and increase in resource required to keep services open and safe. By quickly adopting new ways of working and introducing contingency plans, significant cost increases were avoided and all services kept operational where possible to do so. Voluntary income shortfalls were mitigated through the contribution from new contracts, savings arising from remote working and use of the furlough scheme with the balance met/expected to be met from designated reserves, thereby protecting other unrestricted reserves which are in the target range. Whilst the redirection of designated reserves will delay the property development plans made before the pandemic, our financial strength and long term strategic ambition will not be affected.

Management has therefore determined that it is appropriate to prepare the accounts on a going concern basis.

DEPAUL UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company 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.

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 is not recognised and refer to the Trustees' report for more information about their contribution.

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

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

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

Income from government and other grants is recognised in the financial statements when receivable unless they are performance related. Performance related grants and contracts for services, including rental income, are recognised in income to the extent that entitlement has been earned through delivery of the underlying service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and have been allocated in proportion to the level of direct costs attributable to the relevant projects. Governance costs are those incurred in connection with administration and compliance with constitutional and statutory requirements.

DEPAUL UK
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 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 Statement of financial activities incorporating income and expenditure account.

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

Depreciation is provided on the following bases:

Land	- Not depreciated
Freehold property	- 50 to 100 years Straight line
Property refurbishment	- 5% to 20% Straight line
Fixtures and fittings	- 20% to 25% Straight line
Computer equipment	- 25% to 33% Straight line

2.7 Investments

Current asset investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

DEPAUL UK
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2.11 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.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.13 Pensions

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

2.14 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.

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3. Critical accounting estimates and areas of judgment

Preparation of financial statements requires management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

(i) Useful economic lives of tangible assets. The annual depreciation charges for the 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.

(ii) Bad debts provision: As part of the Charity'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 is made in the accounts to take account of that risk.

4. Income from donations and legacies

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Donations	472	364	836	1,757
Legacies	193	44	237	445
Grants	310	844	1,154	1,140
Total 2019	975	1,252	2,227	3,342

The restricted income above includes £359k (2018: £290k) received from central and local government for the provision of housing services. There are no unfunded commitments.

5. Investment income

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Income from local listed investments	1	1	1
Investment income - bank interest	5	5	5
Total 2019	6	6	6

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Income from charitable activities

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Safe Choices	557	34	591	333
Safe Places	9,761	364	10,125	10,594
Other	114	-	114	70
Total 2019	10,432	398	10,830	10,997

Income from charitable activities is made up of:

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Contracts	1,449	-	1,449	1,087
Rents and charges	4,674	-	4,674	5,033
Supporting People	4,128	-	4,128	4,289
Statutory grants	67	398	465	518
Other income	114	-	114	70
Total 2019	10,432	398	10,830	10,997
Total 2018	10,551	446	10,997	

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Income from Lotteries

The People's Postcode Lottery was appointed as Depaul's external lottery manager to run lotteries on our behalf. Only the net proceeds of these lotteries are included in the statutory accounts as income in this better reflects the impact of the income on our operations.

	Unrestricted funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Gross proceeds	9,073	9,073	8,912
Expenses	(2,540)	(2,540)	(2,472)
Prize fund	(3,630)	(3,630)	(3,575)
Net proceeds received by the Charity 2019	2,903	2,903	2,865
<i>Total 2018</i>	<i>2,865</i>	<i>2,865</i>	

8. Direct costs

	Fundraising expenses 2019 £000	Safe Choices 2019 £000	Safe Places 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Direct Staff	688	1,150	6,832	8,670	7,645
Other	637	541	3,829	5,007	5,402
Total 2019	1,325	1,691	10,661	13,677	13,047
<i>Total 2018</i>	<i>1,386</i>	<i>1,611</i>	<i>10,050</i>	<i>13,047</i>	

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Support costs

	Fundraising expenses 2019 £000	Safe Choices 2019 £000	Safe Places 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Staff	205	202	1,232	1,639	1,637
Other	157	101	726	984	653
Total 2019	<u>362</u>	<u>303</u>	<u>1,958</u>	<u>2,623</u>	<u>2,290</u>
<i>Total 2018</i>	<u>203</u>	<u>300</u>	<u>1,787</u>	<u>2,290</u>	

Governance Costs

	Unrestricted funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Auditors' remuneration	42	42	38
Board costs	1	1	2
Total 2019	<u>43</u>	<u>43</u>	<u>40</u>
<i>Total 2018</i>	<u>40</u>	<u>40</u>	

9. Auditor's remuneration

	2019 £000	<i>2018 £000</i>
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>26</u>	<u>30</u>

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Staff costs

	2019	2018
	£000	£000
Staff and Volunteer costs		
Salaries and wages	7,283	6,878
Social security costs	634	584
Pension contributions	380	353
Volunteer expenses	131	143
Agency staff	894	634
Training, travel, insurance and recruitment	558	554
	9,880	9,146

Volunteer expenses include payments made to Supported Lodgings hosts and Depaul UK Nightstop hosts, and costs of travel, accommodation and allowances paid to European volunteers. In 2019 we involved 483 volunteers (2018: 608) in our work. Volunteers are involved in providing accommodation in our Nightstop service and in providing support and mentoring to our young people through our Get Up and Go programme.

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

	2019	2018
	No.	No
Safe Choices	29	37
Safe Places	177	169
Cost of Generating funds	21	14
Support and administration	38	34
	265	254

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	2	2
In the band £90,001 -£100,000	1	-

The remuneration paid to key management personnel amounted to £446,563 (2018: £424,990).

Employer contributions made to the Depaul pension scheme for the employees who earned over £60,000 during the year amounted to £21,546 (2018: £46,196). The remuneration policy is set out in detail in the Trustees' Strategic Report.

During the year £32,017 (2018: £63,339) was paid out in redundancy payments. This was in relation to restructuring of central services teams as well as payments in relation to TUPE staff. All obligations in relation to redundancy are recognised in the year in which the redundancy is agreed.

11. Tangible fixed assets

	Freehold land and buildings £000	Leasehold improvements £000	Fixtures and fittings £000	Computer software £000	Total £000
Cost or valuation					
At 1 January 2019	2,485	852	566	188	4,091
Additions	-	-	20	30	50
At 31 December 2019	2,485	852	586	218	4,141
Depreciation					
At 1 January 2019	86	38	163	-	287
Charge for the year	19	56	7	122	204
At 31 December 2019	105	94	170	122	491
Net book value					
At 31 December 2019	2,380	758	416	96	3,650
At 31 December 2018	2,399	814	403	188	3,804

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Fixed asset investments

Cost or valuation	Listed investments £000
At 1 January 2019	83
Revaluations	9
At 31 December 2019	92
Net book value	
At 31 December 2019	92
<i>At 31 December 2018</i>	<i>83</i>

All the fixed asset investments are held in the UK.

13. Programme related investments

Market value	Programme related investments £000
At 1 January 2019 and 31 December 2019	47
At 31 December 2019	47

During the year ended 31 March 1999, Depaul UK contributed £47,000 towards the refurbishment of a property in Newcastle owned by Home Housing and occupied by the Simonside project, which Depaul UK manages and funds. Depaul UK has a 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. Programme related investments are recognised at amortised cost.

The value of financial assets held at fair value totalled £132k (2018: £132k).

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

14. Debtors

	2019	2018
	£000	£000
Due after more than one year		
Amounts owed by group undertakings	93	117
	<u>93</u>	<u>117</u>
Due within one year		
Amounts owed by group undertakings	219	92
Other debtors	306	464
Prepayments and accrued income	646	1,221
Grants receivable	1,746	726
	<u>3,010</u>	<u>2,620</u>

15. Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	818	419
Amounts owed to group undertakings	2	51
Other taxation and social security	161	160
Other creditors	54	54
Accruals and deferred income	606	585
	<u>1,641</u>	<u>1,269</u>

Creditors: Amounts falling due within one year include financial instruments totalling £1,266k (2018 £812k) measured at amortised costs.

	2019	2018
	£000	£000
Deferred income at 1 January 2019	206	446
Resources deferred during the year	323	-
Amounts released from previous periods	(206)	(240)
Deferred income at 31 December 2019	<u>323</u>	<u>206</u>

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

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Creditors: Amounts falling due after more than one year

	2019	2018
	£000	£000
Other loans	529	582

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2019	2018
	£000	£000
Payable or repayable by instalments	285	338
	285	338

In 2016, Depaul UK entered into a loan arrangement with London Housing Foundation. This loan is repayable on semi-annual instalments 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.

DEPAUL UK
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

17. Statement of funds

	Balance at 1 January 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 December 2019 £000
Designated funds						
Fixed Assets	3,467	-	-	183	-	3,650
Maintenance	92	-	(2)	-	-	90
Property Development	1,500	-	-	-	-	1,500
Depaul Housing Services	139	-	(7)	-	-	132
Endeavour Amenities	53	-	-	-	-	53
Manchester Action Research Project	21	-	(17)	(4)	-	-
Fundraising	-	-	(66)	66	-	-
Business Improvement	-	-	(33)	33	-	-
	<u>5,272</u>	<u>-</u>	<u>(125)</u>	<u>278</u>	<u>-</u>	<u>5,425</u>
General funds						
General Funds	<u>1,743</u>	<u>14,417</u>	<u>(14,405)</u>	<u>(278)</u>	<u>5</u>	<u>1,482</u>
Unrestricted funds	<u>7,015</u>	<u>14,417</u>	<u>(14,530)</u>	<u>-</u>	<u>5</u>	<u>6,907</u>
Restricted funds						
Restricted Funds	<u>1,410</u>	<u>1,650</u>	<u>(1,769)</u>	<u>-</u>	<u>-</u>	<u>1,291</u>
Total of funds	<u>8,425</u>	<u>16,067</u>	<u>(16,299)</u>	<u>-</u>	<u>5</u>	<u>8,198</u>

DEPAUL UK
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

17. Statement of funds (continue)

Statement of funds - prior year

	<i>Balance at 1 January 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains (Losses) £000</i>	<i>Balance at 31 December 2018 £000</i>
Designated funds						
Fixed Assets	3,541	-	-	(74)	-	3,467
Maintenance	135	-	-	(43)	-	92
Property Development	750	-	-	750	-	1,500
Depaul Housing Services	139	-	-	-	-	139
Capacity Development	50	-	-	(50)	-	-
Endeavour Amenities	65	-	-	(12)	-	53
Manchester Action Research Project (MARP)	-	-	-	21	-	21
	4,680	-	-	592	-	5,272
General funds						
General Funds	1,037	14,620	(13,318)	(592)	(4)	1,743
Total Unrestricted funds	5,717	14,620	(13,318)	-	(4)	7,015
Restricted funds						
Restricted Funds	811	2,618	(2,019)	-	-	1,410
Total of funds	6,528	17,238	(15,337)	-	(4)	8,425

DEPAUL UK
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Designated funds:

Fixed asset designated funds represent the amount of reserves tied up in fixed assets.

Maintenance designated funds are the amounts we hold in respect of the properties we own or manage and are used for property maintenance over and above day-to-day maintenance costs.

The fund "Depaul Housing Services" representing the long-term loan due from Depaul Housing Services (a nonconsolidated subsidiary) on the sale of Compass House. The designated fund will be released to the General Fund as the loan is repaid.

The Designated Fund for Capacity Development consists of funds set aside to support the review and strengthening of systems in our central functions.

The Property Development Fund is held in respect of investment in properties.

The Endeavour Fund represents funds set aside to support the development of Endeavour Centres in the UK.

The Business Improvement fund is to improve processes and systems to increase capacity for the delivery of charitable objectives.

The Fundraising fund is to develop the infrastructure of the fundraising department to enable the delivery of the fundraising strategy.

The MARP fund represents the balance of monies designated to an evaluation of the issue of young people sleeping rough across Manchester City with a view to try to support them in a move away from the streets. The fund included a provision for warm clothes, food, phones to keep in touch and rent deposits.

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	3,649	-	3,649
Fixed asset investments	92	-	92
Social investments	47	-	47
Debtors due after more than one year	93	-	93
Current assets	5,197	1,291	6,488
Creditors due within one year	(1,642)	-	(1,642)
Creditors due in more than one year	(529)	-	(529)
Total	6,907	1,291	8,198

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £000</i>	<i>Restricted funds 2018 £000</i>	<i>Total funds 2018 £000</i>
Tangible fixed assets	3,712	92	3,804
Fixed asset investments	83	-	83
Social investments	47	-	47
Debtors due after more than one year	117	-	117
Current assets	4,907	1,318	6,225
Creditors due within one year	(1,269)	-	(1,269)
Creditors due in more than one year	(582)	-	(582)
Total	7,015	1,410	8,425

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19. Reconciliation of net movement in funds to net cash flow from operating activities

	2019	2018
	£000	£000
Net income/expenditure for the year (as per Statement of Financial Activities)	(227)	1,897
Adjustments for:		
Depreciation charges	204	109
Gains/(losses) on investments	(5)	4
Dividends, interests and rents from investments	(6)	(6)
Loss on the sale of fixed assets	-	86
Increase in debtors	(390)	(802)
Increase/(decrease) in creditors	315	(413)
Net cash provided by/(used in) operating activities	(109)	875

20. Analysis of cash and cash equivalents

	2019	2018
	£000	£000
Cash in hand	3,569	3,722
Total cash and cash equivalents	3,569	3,722

21. Analysis of changes in net debt

	At 1 January 2019	Cash flows	At 31 December 2019
	£000	£000	£000
Cash at bank and in hand	3,722	(153)	3,569
Debt due after 1 year	(582)	53	(529)
	3,140	(100)	3,040

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22. Operating lease commitments

At 31 December 2019 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £000	2018 £000
Not later than 1 year	59	59
Later than 1 year and not later than 5 years	107	107
Later than 5 years	225	284
	391	450

23. Post balance sheet events

The COVID-19 pandemic has developed rapidly in 2020 and we have taken a number of measures to monitor and mitigate the effects of the pandemic on our people such as social distancing, working from home and securing a supply of personal protective equipment to keep our services operational. At this stage, the impact on our business and results has not been significant. Based on our experience to date we expect this to remain the case and to see an increase in demand for our services in some areas. We will continue to follow government policies and advice and, in parallel, we will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people. We also refer to note 2.2 (Going Concern).

24. Ultimate parent undertaking and controlling party

The parent undertaking of Depaul UK is Depaul International, a company incorporated in England & Wales (Company number 5245818, Charity number 1107385).

Depaul UK has not prepared consolidated accounts as it is a wholly controlled subsidiary of Depaul International, which produces full group accounts and is incorporated in England and Wales. Depaul International works to support homeless and marginalised people around the world. Depaul International's registered office is St Vincent's Centre, Carlisle Place, London, SW1P 1NL. Consolidated Financial Statements are available from Companies House.

25. Principal subsidiaries

During the year, the company had the following wholly owned subsidiaries all of which are registered in the UK.

Name	Country	Nature of Business	Shareholding
Depaul Housing Services	England & Wales	Registered Social Landlord	100%
Depaul UK Trading CIC	England & Wales	Trading Company	100%

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26. Related party transactions

No trustees received remuneration (2018: Nil). One Trustee received reimbursement of two expenses amounting to £342 in the current year (2018: One trustee received £540).

During the year, Depaul UK paid purchase invoices totalling £2k (2018: £23k) on behalf of Depaul Trading CIC. As at 31 December 2019, the total outstanding amounted to £92k (2018: £92k).

During the year Depaul UK paid £140k (2018: £129k) to Depaul International as annual subscription to the group. Depaul UK also recharged £9k (2018: £9k) towards the cost of financial administration and incurred another £44k (2018: £50k) in expenses on behalf of Depaul International while Depaul International paid £11k (2018: £36k) of invoices and expenses of Depaul UK. At the end of the year Depaul International owed Depaul UK £127k (2018: Depaul UK owed Depaul International £20k). In December 2019, a loan amounting to £150k was given by Depaul UK to Depaul International. This remained outstanding as at 31 December 2019 and was repaid in full in March 2020.

In 2014, Depaul UK sold Depaul House to Depaul Housing Services (DHS) for £150,000 on a 30 year loan. During the year Depaul UK also collected £70k on behalf of Depaul Housing Services and also paid invoices and management costs of £8k on behalf of Depaul Housing Services. As at 31 December 2019, there was an amount of £58k owed to Depaul UK.

During the year Depaul UK paid £2,500 to the Fundraising Regulator in respect of its annual levy. The Chair of Depaul UK's Board of Trustees is a member of the Board of the Fundraising Regulator. Michael Jones is a trustee of Depaul UK. During the year he participated in Nightstop as a host. Michael Jones was paid £15 in volunteer expenses (2018: £120).

27. Restricted funds

The following restricted funds require a separate disclosure in the accounts. Grants received and applied as detailed in this note are also included in the restricted funds in Note 28 of the financial statements.

	2019 £000	2018 £000
Nightstop Northeast (Big Lottery Fund)		
Funds b/fwd	21	-
Grant received	80	40
Expenditure	(61)	(19)
Funds c/fwd	40	21
	2019 £000	2018 £000
Nightstop Northeast		
Funds b/fwd	3	7
Grant received	93	29
Expenditure	(95)	(33)
Funds c/fwd	1	3

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28. Restricted Funds

	1 January 2019 £000	Incoming 2019 £000	Expended 2019 £000	Total funds 2019 £000
National Programmes	376	390	(487)	279
Nightstop	242	406	(438)	210
Safe Stop	3	29	(4)	28
South Tyneside	23	-	(14)	9
Other Restricted Funds	766	825	(826)	765
	<u>1,410</u>	<u>1,650</u>	<u>(1,769)</u>	<u>1,291</u>
<i>Total 2018</i>	<u>813</u>	<u>2,617</u>	<u>(2,020)</u>	<u>1,410</u>

Restricted funds:

Restricted funds represent funds unspent at 31st December 2019 that have been donated for specific purpose and include:

National programmes

Programmes which enable us to equip young people with the soft and hard skills to progress into education, training and employment and ultimately move on positively with their lives and in to independent living.

Nightstop

Funds donated specifically to support our work to provide a safe place to sleep for young people in the homes of trained volunteers. These funds help us to ensure that young people are prevented from sleeping in unsafe places or from having to ever need formal housing support and are donated by a wide range of funders including local authorities, corporate supporters and trusts and foundations.

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29. Prior period Statement of Financial Activities

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
INCOME FROM:			
Donations and legacies	1,170	2,172	3,342
Charitable activities	10,551	446	10,997
Other trading activities	28	-	28
Investments	6	-	6
Lotteries	<u>2,865</u>	<u>-</u>	<u>2,865</u>
TOTAL INCOME	<u>14,620</u>	<u>2,618</u>	<u>17,238</u>
EXPENDITURE ON:			
Raising funds	1,590	-	1,590
Charitable activities	11,728	2,019	13,747
TOTAL EXPENDITURE	<u>13,318</u>	<u>2,019</u>	<u>15,337</u>
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)	1,302	599	1,901
Net gains/(losses) on investments	<u>(4)</u>	<u>-</u>	
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES	1,298	599	1,897
NET MOVEMENT IN FUNDS	1,298	599	1,897
RECONCILIATION OF FUNDS:			
Total funds brought forward	<u>5,717</u>	<u>811</u>	<u>6,528</u>
TOTAL FUNDS BROUGHT FORWARD	<u>7,015</u>	<u>1,410</u>	<u>8,425</u>