



# DEPAUL

Homelessness has no place

# DEPAUL UK

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR 2021





Young woman in supported accommodation service in South London  
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## JOINT CHAIR AND CEO STATEMENT

The second year of the pandemic continued to have a deep impact on our clients, our staff and our volunteers. This shaped how Depaul UK responded to the challenges and opportunities we faced in 2021.

Homelessness remains a huge issue in England. Between April and June 2021, 66,040 households were initially assessed as homeless or threatened with homelessness – up 1% from April to June 2020. Young people were hit particularly hard. Between July and September 2021, 280 young people were seen sleeping rough in London – up 12% from pre-pandemic levels. This trend is set to continue: cuts to universal credit, freezing of local housing allowance, the end of the eviction ban and the wider cost-of-living crisis in the UK, will lead to more people becoming homeless because they simply cannot afford to pay the rent. We know that young people were more likely to lose their jobs during the pandemic and that many are still unable to find work. The Centre for Mental Health has predicted that, because of Covid-19, around 10 million people will need new or additional help for their mental health over the next three to five years.

Our staff and volunteers have demonstrated very high levels of resilience and have delivered our mission with the utmost passion and integrity. They too, however, have been adversely affected by the pandemic. They have dealt with increased pressure and responsibility to keep clients and other colleagues safe and healthy,

putting on a brave face at the same time as managing a changed reality that has been destabilising for everyone.

A highly volatile economic environment has affected our ability to secure funds to deliver on our mission and has led to both increased and unbudgeted operational costs (albeit alongside unplanned income) – largely as a result of our emergency provision for rough sleepers during the height of the pandemic. In the crisis, directing the funds where they were needed the most had to be carefully balanced with making longer term, strategic decisions on where Depaul UK should invest to increase its impact in the future. This tested our organisational resilience and flexibility, and meant that our plans and activities were subject to continuous review, scrutiny and subsequent adjustment.

In the light of all this, we nevertheless continued to focus on opportunities not just problems – to ensure that our work was as impactful and effective as possible, and that our staff and volunteers were adequately supported. As a complex organisation, with 300 staff and more than 400 volunteers delivering frontline services to more than 1,000 people in desperate need of our support every day, we could not afford to succumb to the limitations and challenges imposed on us.

Depaul UK Education Officer leads students through an education workshop  
© Depaul UK



Thanks to our amazing staff and volunteers, and supported by an active Board of Trustees and our loyal and generous donors, we have been responsive to an ever-changing 'crisis environment', yet maintained a firm eye on delivering our longer-term strategy:

1. We have been innovative, agile, considerate of but not averse to taking risk, and – most importantly – have lived our organisational values every day. This has enabled us to deliver services safely and effectively, and maximise opportunities for our clients, even during the peaks of lockdowns.
2. We have been working with new client groups in emergency provision and have successfully partnered with the government, local authorities and other organisations in the sector to ensure that the most vulnerable were protected during the height of the pandemic. Because of this, we are now working with 25% more clients than before the outbreak of the virus.
3. We have met and partly exceeded our income targets, both through commissioned contracts and our voluntary fundraising, successfully engaging existing and new donors and delivery partners.

4. We have developed and launched a comprehensive six-year strategy, accompanied by a solid financial strategy and corresponding business plans linked to smart risk-management and a rigorous impact-and-performance-management framework. This has allowed us to come through the height of this crisis financially robust, while effectively managing the impact on our services and programmes and on staff morale.
5. We have significantly expanded our mental health and wellbeing offer for clients, staff and volunteers, and have implemented a hybrid-working policy that allows colleagues to maintain a better work-life balance.

We know that the impact of the pandemic will be felt for years to come. It has created – and is likely to continue to create – more need for our services, especially among young people. It will require an increased, conscious organisational effort to invest in the people who deliver our services and to make the most of our resources so that we can reach out to more people, in more places, in more ways. At Depaul UK, we are ready and well-placed to face the challenges associated with this – to create a world where everyone has a sense of home, and homelessness has no place.

## WHAT WE DO

### STRATEGIC OVERVIEW

Depaul UK has worked for more than 30 years to support people facing homelessness. We are a homelessness organisation with specialism in supporting young people. We work in local communities across the country to prevent and relieve the impact of homelessness on people's lives. We specialise in supporting young people, who are among the most vulnerable in society, and especially those who have previously had traumatic experiences. We are passionate about the difference we make. Depaul UK's vision, mission and values have remained unchanged for more than 30 years and are as valid as ever.

At Depaul UK, we accept the complexity that leads to homelessness and the continuous evolution of the 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').

To ensure the above, we uncompromisingly commit to two building blocks of our strategic approach:

1. A sound organisational culture and identity, demonstrated towards clients, staff and partners alike, that is based on strong, lived values and that commits to excellence in what we do as well as a built-in agility to respond effectively to the complexity and

dynamic nature of homelessness. This is what we call The Depaul Way ('Who we are').

2. A set of cross-cutting, interlinked themes that shape and direct everything we do at Depaul UK. These themes reflect what we consider essential, overarching concepts that allow us to remain relevant and sound as an organisation 'inside and out'. These cross-cutting themes are Equality, Diversity and Inclusion; Mental Health and Wellbeing; Social Value; and Sustainability ('How we do it').

These building blocks are paired with a holistic, evidence-based approach to our services and programmes ('What we do'); a set of tangible organisational objectives across our core functional areas ('How we focus activity'); and a series of milestones and linked performance measures to ensure that all we do is geared towards increasing our organisational impact ('How we monitor progress').

At the heart of everything we do lies the work with and for our clients. Working alongside and with people affected by the causes and consequences of homelessness we:

- Prevent homelessness. As part of a holistic approach to ending homelessness, prevention is key. We will do this through influencing policy and public opinion, educating young people, strengthening family relationships and providing advice, guidance and shelter in times of crisis.

- Increase resilience. Strengthening the resilience of people who are experiencing homelessness is essential. We will do this through providing accommodation and support that is trauma-informed, strengths-based, and rooted in promoting mental health and wellbeing.
- Energise societal responses. Engaging the wider society in addressing homelessness is crucial. We will do this through supporting campaigns, encouraging volunteering, and seeking strategic partnering to increase our impact and improve life-chances for those we support.
- Stimulate aspirations. Creating ambition and confidence in our beneficiaries is essential. We do this specifically through the provision of Employment, Training and Education programmes and opportunities that enable the people we work with to take their place confidently in society.

Further, we have developed milestones and linked performance measures to monitor how we deliver our strategy. We monitor progress against eight critical success factors, reflecting what we consider 'non-negotiables' to deliver our strategy:

- Positive, evidenced impact on lives of beneficiaries, shaped and informed by clients' voice and data insight
- Motivated, skilled, engaged workforce, driven by our Vincentian values
- Excellent leadership and management
- Strong profile and reputation
- Maximised performance: Voluntary fundraising
- Maximised performance: Commissioned/contracted services
- Improved, well-managed financial position
- Resilient, sustainable and agile business model

## OUR IMPACT AT A GLANCE



5,837

young people received support from a Depaul service in 2021



1,518

young people were provided with accommodation from a Depaul service for at least one night.



792

young people lived in our supported accommodation (722 in 2020).



496

young people moved on positively from our accommodation services.



851

young people received floating support from us (675 in 2020).



11

specific services delivered for people who have slept rough, compared to 4 in 2020.



21

people of Roma heritage received supported reconnection through our Acasa project.



927

received support from our projects for Rough Sleepers in London, Greater Manchester and Middlesbrough.

## OUR SERVICES AND PROGRAMMES

2021 was another year where young people's lives were disproportionately and adversely affected by the coronavirus pandemic and its subsequent lockdowns; reducing their opportunities for engagement with education, training and employment, for building stronger relationships with families and friends, for increasing their financial resilience and for engaging in physical and mental wellbeing. At Depaul UK, we focused on bringing our services back stronger than ever before. As the impact of the pandemic started to reduce and restrictions were removed, we incorporated what had gone well in our services during the pandemic into business as usual. We have rebuilt relationships with referral partners, other agencies and volunteers, enabling us to deliver services again safely and effectively for all, and maximise opportunities for our clients. Across all our services, Depaul UK worked with a total of 6,508 individual clients (4,072 in 2020).

## OUR HOUSING AND SUPPORT SERVICES

Our Housing and Support services continued to operate throughout 2021, in accordance with national restrictions and using strict Covid-19 protocols. In this way, we ensured that not one Depaul service experienced an in-house transmission of coronavirus infection and all remained open for new clients throughout the period.

It was a year where we built upon our experience of having run emergency hotels during the first wave of the pandemic and went on to expand our work with rough sleepers, including, in April 2021, opening Hotel 1824, in

Hounslow, in partnership with New Horizon Youth Centre. This is the first emergency accommodation service for young people sleeping rough in London. We have since gone on to deliver an Out-Of-Hospital service in Greater Manchester, for rough sleepers with complex needs, who are Covid positive, and initiated our first transnational service: Acasa – a supported reconnection programme, helping Romanian Roma people sleeping rough in London to return to their local region, with support from our partner Caritas in Bucharest.

January 2021 saw the mobilisation of our Pathfinder pilot – a programme that worked with 284 young people at risk of homelessness in three Greater Manchester boroughs. Using a strong community-navigator model staff team, trained in the ACT (Acceptance Commitment Therapy) practice model, we prevented and alleviated homelessness for our clients using the Depaul-designed Danger Zones and Stepping Stones tool as a triage assessment, and the Youth Homelessness Outcomes Tracker to measure and evidence outcomes by the service users. The pilot was a success and Greater Manchester Combined Authority have now commissioned the service across all 10 boroughs of the Greater Manchester area.

The impact of our accommodation and support services for young people, including our young-people specific rough sleeping services, in numbers:

- A total of 5,837 young people received support from a Depaul service in 2021, compared to 2,643 in 2020. It is difficult to make comparisons between the last two years, since coronavirus restrictions in 2020 led to many referral agencies closing their doors, leaving young people unable to move on or out of supported accommodation. Nevertheless, it is positive to see this significant uptick in activity.
- 1,518 young people were provided with accommodation from a Depaul service for at least one night.
- 792 young people lived in our supported accommodation (722 in 2020).
- 851 young people received floating support from us (675 in 2020).
- 496 young people moved on positively from our accommodation services.

The impact of our work with adults with a history of rough sleeping:

3. We delivered 11 specific services for people who have slept rough, compared to 4 in 2020.
4. 927 received support from our projects for Rough Sleepers in London, Greater Manchester and Middlesbrough.
5. 21 people of Roma heritage received supported reconnection through our Acasa project.



## OUR PREVENTION AND PROGRAMMES SERVICES

Our Prevention and Programmes services incorporate Nightstop UK, a network of organisations delivering Depaul accredited Nightstop hosting services for young people facing imminent homelessness. A key challenge in the year was to support the network back to providing its programme, founded on volunteers hosting in their own homes. This offer to young people suffered greatly during the pandemic, because shielding and coronavirus restrictions prevented our wonderful volunteer hosts from opening up their spare bedrooms. As always, our volunteers did us proud, finding creative ways to support young people, including one host offering a motorhome for a young person to self-isolate in after testing positive with Covid-19.

### In other developments:

- We established a new partnership, supporting our Education programme, with the prestigious The BRIT School for Performing Arts and Technology. This partnership, which has already resulted in the production of two engaging, provocative and relevant interactive films – Choices and Moving On – will help us reach more educational settings and young people.
- We secured local authority funding to launch Nightstop in Essex, and Nightstop and Reconnect in Milton Keynes, embedding Depaul UK into new areas while diversifying our funding mix for prevention services.
- We secured funding for our London prevention services, through a London Councils contract worth £1.1m over four years. This provides security for us to continue to deliver family mediation, counselling, housing advice and Nightstop, across London. It will also fund the development of a housing advice triage service, operating across the London Youth Gateway partnership. Using the Danger Zones and Stepping Stones tool, it will provide rich insights into young people at risk of homelessness in London.
- We fully embedded Steps to Success within our accommodation services, with more young people than before engaging in education and employment support from the team. Building on our achievements through the Employment, Training and Education (ETE) social impact bond i-aspire, we also applied our learning to the journey young people make towards becoming ready for ETE.
- We worked across various teams to develop a Working Wellbeing course. This course aims to follow a client's journey into employment, starting by exploring confidence and aspirations, before moving into practical skills such as CV writing, job searching and interview skills. The course also teaches clients mindfulness techniques and other practical steps they can take to improve their wellbeing.

Young woman in Nightstop host's home  
© Depaul UK



**The impact of our programmes:**

- Through our Education programme, we worked with 20 schools to deliver homelessness prevention workshops to 2,176 young people between the ages of 12 and 18. While 855 of these young people were seen in person in schools, we also worked virtually with 1,321 young people (due to the Covid-19 pandemic).
- We provided dedicated family support and mediation to 207 young people experiencing or at risk of homelessness, working with them and their families to improve communication, reduce conflict and strengthen relationships. Of these, 57% reported an improvement in their relationships with their family.
- Across all our services, we support our clients to develop healthy, positive relationships with their peers, partners and families. Of those who wanted support with their relationships, 93% experienced improvements in those connections.
- Through the Nightstop Network, 397 host homes provided 6,084 safe nights across the UK. This provided 482 people with safe emergency accommodation. 77% of Nightstop guests moved on to somewhere safe and more permanent after Nightstop.
- Of these, our directly delivered Nightstop services in the North East, Greater Manchester, South Yorkshire and London, provided 1,158 safe nights to 111 people.
- Steps to Success provided tailored one-to-one support to 238 young people, supporting them to progress towards employment, education and training. We also provided additional skills-development workshops and access to bespoke opportunities, including employment,

volunteering and work experience, to clients across the organisation. Following this support, 226 young people successfully secured a new job or started a course or a training programme.

- Our internal Engage, Inspire and Connect grants provide clients with access to small grants to support them with their wellbeing and to remove financial barriers to employment, education and training. In 2021, we issued 290 grants to 213 clients.
- Through the Mental Health and Wellbeing training programme, the team delivered training and webinars to service-based staff, equipping them with the skills and knowledge to better support their clients. In 2021, 91% of Depaul clients with a reported need for mental health support experienced improvement in their mental health.
- We strongly believe that there is a continuing role for homelessness-prevention casework in reducing homelessness on release from prison. However, due to changes in the commissioning environment, our prison services in three London establishments came to an end. In the first five months of 2021 we worked with 270 individuals in three London prisons (991 in 2020).

**DEVELOPING RECONNECT**

In 2021 we launched two Reconnect services, a new offer for under 16s in London and one running alongside our Nightstop in Milton Keynes. We have continued to define our approach, and over the course of the year we implemented several developments to improve how we plan, monitor and evaluate our work.

We redesigned how the service uses our database, so that we now record young people's parents and other family members as 'clients', enabling us to accurately track our work and to plan support around every individual we work with. We also implemented a new support-planning framework and started developing a toolkit of resources for staff to use with families, structured around our five core intended outcomes.

Towards the end of the year, we also trialled and implemented a new evaluation process, using questionnaires with both young people and parents to track progress against our core objectives.

- While the sample size was small, initial results have been promising:
- 96% of young people said there are arguments in their family 'less often' or 'much less often' than before.
- 84% of young people said their parents/guardians' understanding of how to support them was 'a bit' or 'a lot' better.
- 88% of young people said the way their family speaks to each other is 'a bit' or 'a lot' better.
- 87% of parents said that the way they deal with issues that affect them as a family was 'a bit' or 'a lot' better.

**Quotes included:**

**'Your support has made my mum listen to me and understand my challenges. She treats me with lots of respect now.'** Young person

**'I wouldn't have made this much progress if not for your support. My experience with you is life changing.'** Young person

**'100% in a better place than we were six months ago thanks to Depaul and other professionals. I was going to make my son homeless six months ago, but now there are hardly any issues.'** Parent

**'We needed someone to calm the storms down and that is exactly what you did. Thank you so much for what you have done for us.'** Parent

**'From my initial contact with your service, you were non-judgmental. The tools you shared equipped me in supporting my children and that improved their relationships and things changed positively for them. Your personality makes it easy for me to accept your support. I am grateful.'** Parent

Outcomes achieved while engaged with Depaul services:

**91%** of clients with an identified need relating to mental health and wellbeing experienced improvement (compared to 87% in 2020).

**90%** of clients with an identified need relating to work or education became more engaged with work and/or education.

**93%** of clients with an identified need relating to relationships experienced an improvement in their relationships and/or support networks.



## CLIENT VOICE

We launched an exciting new Client Involvement Strategy in 2021, which sets out our approach and hands-on plans to embed a culture of co-production across the organisation. Co-production will ensure that clients are supported to contribute to the design and delivery of their services, and provide them with the opportunity to affect broader changes both within Depaul UK and beyond. We have employed a new Client Involvement Coordinator and set up a Client Involvement Steering Group. Each quarter we report on progress against the strategy implementation plan to the Council of Trustees.

To date, our young people have succeeded in bringing their representative body The Voice of Depaul to life – they have been involved in the governance of the organisation through an introduction to Board papers – giving a chance to influence before decisions are made, and they were actively involved in the recruitment of our new Board Chair. Sixty-seven clients participated in The Voice of Depaul over the course of the year, and thirty-nine young people attended the annual client conference.

## JOE, 21

Joe says “I was very depressed. I was self-harming and I had attempted suicide. I was in a very dark place. Depaul found me a bed, and the support I needed.”

Joe stayed with Nightstop hosts for five months before he was able to get his own place. “They took me down, introduced me to the host and there was already cooked food on the table. They said to me, you can either get to know the host, chat to her, or go straight to your room if you like. But I like talking. I spent about two and a half hours chatting her ears off.

### “THAT’S WHEN I REALISED THAT THERE’S LIGHT AT THE END OF THE TUNNEL.”

With Depaul’s help Joe learned how to cook, apply for jobs and form support networks and he is now living in his own place: “So, now I’m living in a house share. I like it because there’s people around. I don’t think I’d want to live in an empty household. I’m just enjoying having my own place, the independence of it, doing my own shopping and cooking.”

Joe enjoys a cup of tea at home  
© Depaul UK



# HOW WE DO IT

## EQUALITY, DIVERSITY AND INCLUSION (EDI)

For Depaul UK, increasing equality, diversity and inclusion (EDI) is a priority across the organisation. This commitment is reflected in our EDI Statement (available in full via our website). Depaul UK measures itself against the highest standards, including those within the Equality Act 2010 and the Public Sector Equality Duty.

At Depaul UK, we are committed to go beyond mere compliance and to take action to embrace the benefits that EDI can bring to the engagement of our staff, the outcomes for our clients and how we deliver our mission.

We have been working towards ensuring that anyone we engage with finds an environment at Depaul UK where they can apply their whole self, where diversity of thought, background and experience is celebrated, and where every person is welcomed, included and accepted. After a three-year journey to improve EDI within Depaul, in 2021 we achieved our Investors in Diversity accreditation. Our staff survey showed improvement in all measured areas, compared to our last set of results (2018).

We have committed not only to recognising our responsibilities in respect of the protected groups specified in the Equality Act 2010, but also to giving the same access to opportunities to clients, staff and volunteers, regardless of their race, age, gender, sexuality, disability, culture or anything else that might be discriminated against. To facilitate

this, we began a full review of all of Depaul's People policies, which will conclude in 2022, and launched a Hybrid Working policy, allowing our teams more flexibility in their place of work. We have also further developed our recruitment, onboarding and learning and development approach to ensure fair access, inclusivity and equality of opportunity.

We are not afraid to embrace change, have difficult conversations or acknowledge areas for improvement as we work together to continuously embed EDI at Depaul. We have rolled out our first Leadership and Management Development programme to equip our managers with the skills and tools they need to understand and use Depaul's policies and procedures, manage fairly, improve and reward performance, and celebrate diversity within their teams.

## MENTAL HEALTH AND WELLBEING

Depaul UK acknowledges that mental health and wellbeing is essential for our clients, staff and volunteers to be happy and to function, and that 'being well' requires us as an organisation to create the environment, including the physical and emotional spaces, to remain well or to become and remain well. We believe that the mental health and wellbeing of our clients, volunteers and staff is fundamental to the success and sustainability of our work. Hence, we regard supporting people to maintain or achieve positive mental health and wellbeing a part of our overall mission.

2020 and 2021 have been exceptionally challenging years for our staff teams, who have worked throughout the pandemic to ensure we continue to provide a quality service to our clients. In recognition of this we have increased our staff wellbeing offer, providing resources and learning opportunities to improve personal mental health and wellbeing. We have started the roll out of ACT (Acceptance and Commitment Therapy) and Mental Health First Aid to all staff, and this project will continue into 2022. The development of these skills will not only support our staff, but also allow us to provide better support to our clients – who have also experienced an increase in stress, anxiety and other mental health conditions.

Young People at Depaul have been very clear with us that mental health and wellbeing is their absolute priority and they have reiterated this message at Board level through their representative body The Voice of Depaul. To this end, we have prioritised voluntary income spending towards improving our mental health offer and will launch our new Mental Health and Wellbeing strategy in 2022.

## SOCIAL VALUE

At Depaul UK we define 'social value' as the additional benefit our organisation provides to the wider communities and economies within which we work. It focuses on how we can secure wider social, economic and environmental benefits through the work we do and places we inhabit. Improving social, environmental and economic wellbeing and resilience supports Depaul UK's strategic priorities, including the prevention and relief of homelessness.

In line with this and, more importantly, in accordance with our organisational value to take a wider role in society, we strive to deliver relevant and measurable social, economic and environmental benefits for local people and communities through all our services and activities.

We are now making social value pledges in the areas in which we deliver our services. Our pledges cover everything from how we procure goods and services locally to how we will open up and use our buildings for greater community good. This ensures that we are aligned with the local environmental, economic and health strategies in each area that we work.

In 2021, we have consistently reviewed our recruitment approach to ensure we are, wherever possible, recruiting from the communities our projects serve. We welcomed volunteers and employees with lived experience of homelessness and have worked to ensure our recruitment process is accessible and fair. We have built strong relationships with other service providers in the areas we serve and offered places on training courses to our partners and volunteers. We are working on building a strong procurement process, which means we will procure from local business and suppliers wherever possible. We have put into place the outline of an apprenticeship programme and look forward to welcoming our first apprentices in 2022. Further, we have developed our corporate volunteering offer and corporate mentoring opportunities, working in partnership with Deloitte to increase the social value we can create in communities.



## VALUE FOR MONEY

Throughout 2021, we continued to deliver on our strategy and achieved value for money by maintaining our commitment to the four core principles of economy, efficiency, effectiveness and equity. We did this through improved policies and procedures relating to the selection of suppliers, the commissioning process and the evaluation of the service provided. Service delivery continued uninterrupted through the worst of the Covid-19 pandemic, aided significantly by the firm foundations that our procedures have established.

Avoiding voids and arrears remains a key priority for us and is considered both when budget-setting and in the review of financial performance by the Finance, Audit and Compliance Committee and the Council. We collected 97.5% of rent due in 2021, which was within target (95%). At the end of the year, the percentage of rent owed against that due from rent arrears by our current residents was 8%, and the empty bed per night rate was 14%. Both of these were slightly outside the target levels, which were 5% and 12% respectively.

Addressing the empty night rate will be a particular focus for staff in 2022.

## ENVIRONMENTAL SUSTAINABILITY

Depaul UK recognises the importance of charities achieving net zero by 2030.

The greatest impact, in terms of carbon neutrality, is within our properties and, in 2021, we began work on our environmental strategy. This strategy sets out our intention to commission energy use investigations for all properties owned by Depaul UK and its subsidiaries, and to embed the

recommendations into our business plans and budgets.

Our environmental strategy also plans for a Training and Awareness programme to compliment the Carbon-Literacy Learning and Development that has already been provided to senior facilities staff, and to enhance the energy saving activity that took place throughout 2021.

### Activity included:

- Effective recycling systems
- Incentives to use environmentally friendly forms of transport
- The introduction of low-energy lighting and boilers
- The purchase of green tariff utilities

As available funds for major investment in our properties are expected to be limited until 2024, we will explore opportunities for external funding or borrowing to help us meet our net zero target as early as possible.

We will also work closely with the landlords of our leased properties to take advantage of any opportunities to improve energy efficiency across our entire estate of owned and leased property.

## RACHEL, 25

"I've struggled with mental health problems since I was about 17. It was just tiring, draining, day-to-day and eventually I had a breakdown. I had gone to stay at my friends, on the couch and living out of a carrier bag, and had an appointment with my doctor to talk about my mental health. It was the doctors that referred me to a support service and they referred me to Depaul UK."

We found Rachel a room of her own in a shared property, somewhere she could go back to each night and feel secure. And we helped Rachel get back into education. "That's probably not something I would have done on my own. One of the staff was amazing and now I'm doing an access to university course in health science.

**"I'M LOVING THE COURSE, AND I FEEL SO MUCH BETTER FEELING LIKE I'M DOING SOMETHING WITH MY LIFE."**

Rachel in the garden of a supported accommodation  
© Depaul UK



# FINANCE REVIEW

Depaul UK ended the year with a net surplus of £248k (2020: £406k deficit).

## INCOME

Depaul UK's total income for the year ended 31 December 2021 was just over £18.5m (2020: £16.6m).

The increase in income on 2020 was in large part thanks to unanticipated contract funding of about £1.8m from the UK Government to help provide emergency accommodation to rough sleepers during the pandemic. In total in 2021, we received £6.8m from the UK Government through its 'Supporting People Programme'.

Despite the challenges of Covid, voluntary income kept up well. Total income from donations, grants and legacies was just over £2m, a decrease of £250k on 2020 (£2.286m). Donations fell slightly from £889k in 2020 to £858k this year. Grant income of £787k was down £478k on the previous year. Legacy income, however, was up, reaching £391k (up from £132k in 2020).

Depaul UK continued to receive greatly valued support from People's Postcode Lottery, with increased funding, to the sum of almost £2.8m (2020: just under £2.6m).

## EXPENDITURE

In line with the increase in income, expenditure on charitable activities increased - i.e. the services and programme we provided to our beneficiaries - by £1.4m to £16.8m in 2021 (2020: £15.4m), as we worked to support the growing number of vulnerable

clients. Expenditure on charitable activities represented 92% of all expenditure in the year. The remaining spend was used to raise funds for our work and for running the charity.

The fundraising return on investment stabilised with a small increase from 2.5:1 in 2020 to 2.9:1 in 2021. The strategy to invest in building fundraising capacity remains relevant to the delivery of the organisation's 2021-2026 strategy.

## CASH AND RESERVES

An increase in debts outstanding to us of £211k on last year (making total monies due to us £2.2m), and a decrease owed to creditors of £178k on last year (total owed by us c.£2.36m) has meant that cash reserves have only risen modestly to just under £4.8m (up £39k on 2020). Governance costs in 2021 remained almost unchanged at £33k (2020: £31k).

The final total reserves position was £8.0m (2020: £7.8m), with an increase of £248k. Of total reserves, £777k were restricted (2020: £807k) and just under £7.3m were unrestricted (2020: £7.0m).

Like many organisations, Depaul UK and its clients face significant challenges in the current economic environment. Depaul recognises this and, with the formulation of its new long-term financial strategy, aims to improve its financial sustainability in order to deal with difficult circumstances.

Depaul UK is aware that a considerable proportion (58%) of the organisation's voluntary fundraising income is represented by the People's Postcode Lottery. Although we have had no indication that this support will change significantly, we are, nevertheless, continuing to diversify and grow our income streams. The projections underpinning Depaul's multi-year financial strategy also contain a realistic target for growth in grant income, which we are confident to achieve by maximising opportunities that have been forthcoming during the course of the pandemic, such as the Rough Sleepers initiatives. The importance of optimised budget control is stressed and will be effectively monitored. Further, we anticipate an increase in funds for activity from 2024. Various avenues to enable this growth have been identified and are being explored.

## RESERVES POLICY

The reserves policy was reviewed during the year. Trustees have taken a risk-based approach and set reserves at a level sufficient to provide 4-6 months cover for medium and high priority expenditure not covered by high reliability income. This is estimated at between £1.6m and £2.4m. The current reserves position complies with this policy.

Reserves held at the end of the year were:

|                              | 2021  | 2020  |
|------------------------------|-------|-------|
|                              | £000  | £000  |
| Fixed Asset Designated funds | 3,239 | 3,419 |
| Restricted funds             | 777   | 807   |
| General funds                | 4,024 | 3,566 |
| Total funds                  | 8,040 | 7,792 |

## GOING CONCERN

Around 31% of Depaul UK's core charitable activities income is relatively stable rental income, linked to commissioned contracts. A further 49% is also contractual (Supporting People payments). This enables the organisation to finance its core activities. There is a reliance, to a substantial extent, on donations and grants to provide many of the added services such as the prevention and 'wrap around' services. Cash reserves stood at £4.8m at the end of the financial year 31.12.2021 and a strong cash position is projected for the future. The charity has sufficient liquid resources to meet its obligations and deal with costs associated with inflationary conditions and risks associated with cost of living pressures. Based on this, trustees are satisfied that Depaul UK will be able to continue as a going concern for the foreseeable future and that there is no material uncertainty related to going concern that requires disclosure in the annual report and financial statements. Therefore it is deemed appropriate to prepare the financial statements on a going concern basis.



# FUNDRAISING, COMMUNICATIONS AND PUBLIC AFFAIRS

**Without our generous supporters, we wouldn't be able to make a difference to the lives of so many young homeless people. Of Depaul UK's income, 11.2% comes from voluntary donations from individuals, companies, community organisations and major donors. These are vital funds to deliver the programmes and preventative services that support young people towards brighter futures.**

In the year ending 31 December 2021, voluntary income from donations, lotteries and events amounted to £4.8m, which was within 4% of the original target. While income from charitable trusts and corporate partners was negatively impacted due to the pandemic, we continued to receive incredible support from the People's Postcode Lottery and saw strong performances across our philanthropy, regional engagement and individual giving income streams.

## Income in 2021 included:

- Almost £2.8m (58%) from People's Postcode Lottery. This generous and sustained support from the players of People's Postcode Lottery has enabled transformational change for Depaul UK, for which we continue to be hugely grateful.
- £787k (16%) from trusts and foundations has supported a range of our innovative Prevention Services and Support programmes.

- £216k (4.4%) from major donors.
- £391k (8.0 %) from legacy gifts, showing consistent growth in this area.
- £321k (6.6%) from corporate partners, community fundraising and challenge events.
- £320k (6.6%) individual giving income, from our current donors, public fundraising appeals and regular giving donor acquisition.

Overall, expenditure on fundraising in the year was £1.5m, compared with nearly £1.6m in 2020.

Alongside Covid-19, resourcing gaps across the Fundraising and Communications department presented a challenge to achieving our ambitious targets. However, we worked hard to recruit to vacancies and were able to start 2022 in a stronger position with most posts filled.

Our Philanthropy and Partnerships Team continued to focus on strategic partnerships and multi-year funding, and were successful in developing new multi-year partnerships with the Astra Foundation and Co-op Foundation to fund our Education and Steps to Success programmes.

Our Public Engagement Team grew our challenge and virtual events portfolio with a new virtual product, 'Weighted Walk', which launched in spring 2021. Our paid social campaigns were brought in-house and, through this channel, achieved our highest new donor numbers to date, during our 2021 winter appeal.

In the summer we opened 'Beyond a Bed', a bed store with a difference, in Croydon Centrale shopping centre, to help raise awareness of the needs of young people experiencing homelessness. Each bed within the store represented a young person who had experienced homelessness and received support from Depaul UK. The store helped us to demonstrate just how complex the circumstances can be for young people who find themselves with nowhere safe to sleep, and how the support they need can be just as varied.

Depaul UK has committed to building the long-term sustainability of our voluntary fundraising income, through strategic investment over the next few years. We aim to grow our individual giving portfolio to help balance our overall portfolio.

We ensure transparency to our donors, are open in our communications, and build strategic and trusting relationships that change young people's lives for the better. We will continue to inform and inspire current and future donors and supporters about our work and the impact their gift will make to the lives of young people facing homelessness.

In 2021, we continued to keep in touch with our current donors through key communications, including monthly e-newsletters and our Safe & Sound magazine. We reached and engaged new supporters through

insert campaigns in selected national newspapers and magazines, and a range of digital channels. In 2022, we plan to continue to invest in our fundraising and strengthen our marketing through door-to-door fundraising and increased digital marketing activity. We will work with a range of agencies to deliver our key projects, carefully monitoring activity against performance metrics and optimising our efforts to achieve the best return on investment.

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. 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 unsubscribe. The same is true if a current donor would like to stop their donations to Depaul. We are also clear and transparent about our complaints process and always aim to respond to complaints quickly and effectively. In 2021, we had three fundraising complaints, which were resolved satisfactorily through our internal procedure. We warmly welcome any opportunity to improve the way we handle complaints.



We are hugely grateful for the kind generosity of every individual, school, company and charitable organisation that has supported our work throughout a challenging 2021, including:

**Amazon**  
**The Astra Foundation**  
**BBC Children in Need Appeal**  
**Church Urban Fund**  
**City Bridge Trust**  
**Clare Scherrer and Gary Lapidus**  
**Computershare**  
**Co-op Foundation**  
**Deloitte**  
**Epic Foundation**  
**Garfield Weston Foundation**  
**John Booth**  
**Joseph Cox Charity**  
**LandAid**  
**Merchant Taylors' Foundation**  
**The Mary Kinross Charitable Trust**  
**May and Stanley Smith Charitable Trust**  
**Montpelier Foundation**  
**National Lottery Community Fund**  
**North Tyneside Clinical Commissioning Group**  
**People's Postcode Lottery**  
**The Porta Pia 2012 Foundation**  
**Porticus**  
**The Schütz Engel Trust**  
**The Zochonis Charitable Trust**

In 2021, we secured extensive media coverage raising the profile of our work. Our Oldham service was one of the first to offer the Covid-19 vaccination to "the homeless" population – [www.bbc.co.uk/news/uk-england-manchester-55661823](https://www.bbc.co.uk/news/uk-england-manchester-55661823). Our regional Nightstop services were highlighted across BBC radio programmes throughout December.

Our Policy and Public Affairs work continued to be closely aligned with our service development, particularly rough sleeping. Sadiq Khan visited our Youth Hub, before agreeing to fund a short extension for the service and bidding to central government for a longer-term extension. We also continued to work with Andy Burnham and his team on tackling rough sleeping in Greater Manchester.

We contributed to national rough sleeping policy through our continued contribution to the Government's Rough Sleeping Advisory Panel.

Depaul has also had considerable influence on important legislation that will directly affect Depaul's residents. We worked with the Department for Levelling Up, Housing and Communities to shape the forthcoming Renters' Reform Bill, ensuring that we will continue to be able to allocate our accommodation to those who need it most.

We also played a leading role in the development of new national standards for young people's supported accommodation. Working with the Department for Education, we have helped to build a regulatory framework that will keep more young people safe and encourage higher quality provision.

### HOW WE'VE ENGAGED OUR SUPPORTERS

Volunteers play a vital role in the work of Depaul across Nightstop UK and other services and programmes. Across our services and programmes in 2021, 259 registered volunteers kindly donated 3,330 volunteer hours and 916 mentoring hours. We are hugely grateful for their commitment. This year our volunteer hours alone equate to approximately £30k in donations.

Our volunteers support our services and teams to deliver the very best opportunities for young people, delivering specific projects and bringing new skills and diverse life experience.

Our mentoring service supports young people to become more independent and to learn skills they can use as they move on from our services. Working with a trained mentor, young people work towards specific goals, build confidence and increase community engagement and social networks.

Despite some challenges in recruitment, more volunteering roles were developed across all Depaul's directorates than in previous years, and it was wonderful to engage volunteers in new roles enhancing the services we deliver. These new roles included a volunteer in HR, delivering 30 hours per week (now an employee of Depaul) and translation volunteers in the North West, enabling us to support more clients effectively.

Our European Solidarity Corp (ESC) volunteering programme also faced challenges, due to changes in employment law following Brexit. Visa requirements were not confirmed by the Home Office until July 2021 and processing time for visas averaged four months, which delayed the project start date. However, we welcomed three volunteers in 2021 and look forward to welcoming four more ESC volunteers in 2022. This will be our last ESC programme as, due to Brexit, we are no longer eligible for this funding.

Further lockdowns continued to impact the way we could engage volunteer support. To meet this challenge, we further developed the hybrid approach of our mentoring offer. This included

online and telephone mentoring sessions, which were well-received by our clients.

Despite all the challenges, we have seen amazing outcomes for people accessing the mentoring service. Volunteers have greatly enhanced services delivered by Depaul and are in many more varied roles than in previous years. We have continued to engage community volunteers at Depaul and have developed an outstanding, accessible induction programme to ensure all volunteers are given a warm welcome and the information and confidence they need to excel in their roles.

Further developments to the Volunteering Team's Learning and Development programme included delivery of 'Involving Volunteers' workshops for staff, which encourage staff to consider new roles to include volunteers and enhance services. In response to volunteer consultation, we also developed an 'Engaging Volunteers' workshop and a 'Safeguarding for Volunteers' workshop.

We continue to offer one-to-one support to all volunteers, and to deliver national forums that are open to all volunteers, where we hope they will feel part of Depaul, get updates on future developments and receive peer support. We have continued to deliver celebration events to volunteers, which were well attended with positive feedback. It has been fantastic to work across more teams as a result of newly developed volunteer roles, and we look forward to expanding our offer further in 2022, as well as developing corporate volunteer involvement.



We have applied to extend our Investors in Volunteers accreditation and this will be concluded in 2022.

The Mass Engagement Team launched 'Weighted Walk', Depaul UK's first virtual event. One hundred members of the public signed up to walk with a weight on their backs to raise money for our work.

Ten of our amazing supporters ran the London Marathon in October and raised an incredible £20,000. Bobbi Lee-Hine was one of those runners and she raised over £3,000 for us.



## THE DEPAUL GROUP

Depaul UK is part of an international family of charities with a focus on helping people in crisis who are either homeless or are at risk of becoming homeless. What started as a response to the growing number of homeless people on the streets of London, has now grown into a global response to tackling homelessness worldwide. The Depaul Group is made up of charities working in the UK, Ireland, France, Slovakia, Ukraine, Croatia and the USA, united by a shared mission, vision and values. Depaul UK is committed to strengthening the 'Depaul family' and to expanding mutual support.

In 2021, Depaul UK continued to make its contribution to the group. For example, members of the Depaul UK Research Evaluation and Data Team assisted the Depaul Croatia leadership in the design and specification for a data management system to support their work with clients in Croatia. The programme of support and training was funded through a capacity building grant from the European Union to support small organisations through international collaboration. Furthermore, colleagues from our Rough Sleeping Services Team visited Depaul France's services in Paris to learn more about Vincent Depaul and how the France subsidiary works with rough sleepers.

We also set out specifically to support global advocacy, campaigns, awareness raising and research work in 2021, through the Institute of Global Homelessness (IGH), as well as to raise more funds to deliver our mission and respective strategic plans by harnessing our international set up, which included strengthening our approach to joint funding bids.



# LOOKING FORWARD

## FUTURE PLANS

2021 marked the first year of our new organisational strategy (2021-2026). Going forward, Depaul UK will have to respond to persisting and new challenges.

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 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. We therefore expect to see significant homelessness, in all its forms, over the next decade.

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 challenging, 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.

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.

Socio-economic impacts triggered by the pandemic will continue to shape our operations in many ways: a large and diverse group of vulnerable people who require more bespoke solutions; changes in the commissioning environment; different behaviour, interest and expectations of voluntary

donors; a fundamentally transformed recruitment market; uncertainty surrounding operating costs and – very importantly – the continued effect of the pandemic on the health and wellbeing of our workforce.

The following key strategic objectives position Depaul UK well to respond to the challenges and opportunities and provide focus for our 2022 activity:

### **Our sole purpose: the best services and programmes for clients.**

In order for Depaul UK to remain a vibrant, growing and effective organisation of choice for the people we serve, employees, donors and commissioners, we must provide an offer of housing and support services, and programme and prevention activities, that is effective, relevant, affordable, accessible and impactful. In 2022, we will focus on further integrating learnings from running services and programmes during the pandemic, and optimise what we offer to our clients in response to increased and changing needs. Specifically, we will continue to focus on involving our clients in everything we do. Priorities for the coming year include developing a scalable model of peer support, further improving processes to better include clients in recruitment and inspections, and continuing to improve the influence of clients through the Client Conference and the Voice of Depaul.

### **Funding our mission: business development and voluntary fundraising.**

To help improve the lives of people affected by homelessness, Depaul UK must increase the scope and breadth of its operations, by securing more commissioned contracts and fostering new business ventures that result in effective services and programmes.

We do this based on harnessing our unique experience and culture as an international organisation, coupled with a commitment to demonstrable quality in service provision and value for money. In 2022, we will focus on securing more commissioned services and create new business opportunities that present effective solutions to homelessness.

Depaul UK has a holistic approach to addressing and preventing homelessness, which means that we cannot merely provide services that are funded by commissioned contracts, we also require a healthy funding balance that allows us to manage dependencies and mitigate risks. In addition to securing income through our business development activity, to deliver our strategy it is a priority for us to raise voluntary funds. In 2022, we are implementing a refined approach to voluntary fundraising that focuses on accelerating development in key areas: philanthropy, corporate and regional fundraising, and continued investment in individual giving and growing our legacy income.

### **Our greatest asset: people.**

In order for Depaul UK to achieve the best outcomes for the people we serve, we will need to continue to attract, develop, retain and engage skilled, high-performing professionals who are happy in their work, and use a values-driven approach to deliver the best outcomes for our clients. At Depaul, we believe that our people are the difference. Employees and volunteers who feel valued care more, and those who care more will provide better experience and outcomes for our clients. In 2022, we will focus on optimising our learning and development offer, improve our remuneration and reward package and increase our mental health and wellbeing support.



### Our backbone: financial sustainability and organisational efficiency.

Depaul UK delivers its work through a combination of contracted services and voluntary-income funded services. In addition to the costs of running these services are the charity's core overheads. In response to the need to develop the ability of the organisation to deliver on its mission, investment has been made in core overheads in the last few years. To deliver the key building blocks of Depaul UK's organisational strategy, the charity must remain alert to any factors that may put its financial sustainability and health at risk. In 2022, we will focus on implementing our financial strategy, which ensures that our resources meet the needs of the present without compromising the future.

### Homelessness is a global problem.

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 effort to tackle homelessness worldwide. Collectively, we will continue to strengthen the Depaul family through exploring support across Depaul subsidiaries and sharing evidence, best practice and innovation with our international members.

## RISK

The Trustees of Depaul UK are aware of their responsibilities and obligations regarding Risk Management. There is a system of internal controls, the effectiveness and relevance of which is reviewed on a regular basis, at the same time as ensuring that the charity's objectives remain on track and are achieved. Trustees can only provide reasonable, not absolute, reassurance against material misstatement or loss.

Depaul UK's Risk Management model includes a number of stages that help to identify and manage risk. The charity has an established Risk Management Policy and related procedures that clearly explain its position, approach, processes and responsibilities. This is supported by:

1. Procedures and processes that set out to identify and manage risk rather than eliminate it.
2. A Corporate Risk Management Register tool used to assist in identifying and assessing risks, considering their impact and evaluating actions.
3. Allocating each risk to an Executive Director of Depaul UK to ensure accountability at the highest level.
4. Actively monitoring risks and reporting upon this as a standing item to the Council of Trustees meetings, at Executive Team meetings and to the Leadership Group of Depaul UK.

During 2021, the Trustees have given due consideration to the major risks that the charity is exposed to and were satisfied that the control measures in place to manage those risks are appropriate.

The headline risks that have a significant impact, and/or carry a high likelihood of occurring include:

#### 1. Data protection and cyber security

The increased dependency on the use of ICT-based technology during the pandemic has also seen global acknowledgement of the increase and potential of cyber crime. This risk links directly to compliance with GDPR and our Data Protection Act obligations.

Mitigating interventions have included:

Reviewing our Data Protection Policy and Procedures; achieving Cyber Essentials quality accreditation; appointing a Protection Lead for Depaul UK who is also a qualified Data Protection Practitioner; ongoing registration with the Information Commissioner's Office; undertaking regular potential data breach reviews and reporting upon these to the Finance, Audit and Compliance Committee; continuing to take legal and expert advice for complex enquiries; providing staff with training materials to assist them in advancing their digital capacity and capability.

#### 2. Finance (long-term)

Like most charities, our work is dependent upon the generosity of funders and donors, and we acknowledge that some charities have seen considerable changes to their income streams and funding priorities, as a direct impact of Covid-19. This risk therefore concerns high levels of financial volatility that result from economic factors outside the charity's control.

Mitigating interventions have included:

Risk-based reserves ranges being identified to enable operations to continue through short/medium term volatility; and strategic financial planning underpinned by the approval of a multi-year Finance Strategy, which includes detailed projections and scenario planning.

#### 3. Compliance with regulatory and quality standards

Depaul UK operates its services using a range of regulated and quality frameworks. During 2021, we became aware of the Government's plans to review unregulated provision for 16/17-year-olds, and that this has resulted in a new regulated environment that will be introduced into the sector in 2023 (The National Standards for Unregulated Provision). This risk concerns the charity's ability to meet and comply with the standards.

Mitigating interventions have included:

Direct liaison with the Department for Education – providing feedback on, and influencing and shaping of, the design and implementation of the new standards; staying up-to-date with developments of the new regulatory regime; regular reporting and communications with senior managers and staff teams. A review of our systems and processes against the new standards is planned for 2022.

#### 4. Covid-19

In 2021, the changing situation regarding the pandemic created a risk that the charity was not sufficiently prepared and could



not respond appropriately, resulting in unsafe systems of work and leading to staff and clients contracting the disease through lack of health and safety controls. This led to the development of an extensive Covid-19 specific risk assessment, and the delivery of the mitigating interventions outlined below. Although temporary Covid procedures ('protocols') have now been dissolved, and all learning has been embedded into existing policies and procedures, Depaul continues to monitor the situation closely and is ready to re-deploy our protocols and roadmap again if needed.

Mitigating interventions have included:

Daily Coronavirus Briefing Room Meetings at the height of the pandemic to stay at the forefront of any changes and to track the impact of the virus on our services and business continuity; development of an extensive suite of protocols that are specific to operating safe services for clients; regular Executive Team communications; having an agile mobilisation plan in place, ready to deploy at short notice; implementing Covid-secure internal quality standards for premises; providing internal roadmaps in/out of lockdowns and web site publication of our extensive Covid-19 Risk Assessment; localised Covid-19 risk assessments for all services/sites.

## 5. Safeguarding

As a housing and support provider to some of the most vulnerable and often young people in mainstream society, safeguarding children and vulnerable adults is central to the work we do. This risk is therefore in failing to provide a robust framework to keep children and vulnerable adults safe from potential and actual harm.

Mitigating interventions have included:

Completion of the annual internal Safeguarding Policy and Procedures review (with a planned external review taking place in 2022); compulsory staff induction and training on Safeguarding, Professional Boundaries and Incident Management and Reporting; DBS checks for employees and volunteers; Trustee annual training on safeguarding and their obligations in relation to safeguarding; quarterly review of safeguarding incidents, to identify and act on themes and trends; and safeguarding as a standing item on all team meetings, Business Excellence Team-led scrutiny and 'deepdives' reviews.

In 2022 Depaul UK also is closely monitoring the cost of living crisis that is developing across the UK, and are already taking action to mitigate the risks that this poses to the charity, staff, volunteers and clients.

In addition to the Corporate Risk Register, Depaul UK's services undertake risk assessments on a regular basis using the same methodology as contained in the charity's Risk Management Policy and Procedures, on themes such as Covid-19, health and safety, fire safety, and other specific activities. This ensures a consistent approach to risk management throughout the organisation and enables localised risk management and engagement of service managers in the risk management process. For Depaul UK the impact of Covid-19 has been significant, but our services have remained open to beneficiaries and expanded in response to national needs (see 'What We Do' on page XX, for full details). This necessarily resulted in revised priorities for 2021 and resource was reallocated to ensure that our high standard of service delivery was maintained. It therefore became impossible to complete the planned review of the charity's Risk Management Framework, which is now scheduled for 2022. However, the charity made some discrete, strategic improvements to Risk Management, which included:

- positioning of Risk Management into a Business Excellence Team to ensure that risk-based thinking is integrated into the quality management systems

- encouraging discussions about risk to take place at all touch points to ensure open, transparent and collaborative risk identification and management at all levels of the organisation
- putting risk-thinking at the heart of the new Financial Strategy, supported by stress-tested scenarios and target reserves set using a risk-based approach
- making all directorate and strategic risk registers live documents to enable risks and corresponding actions to be effectively escalated and cascaded
- citing strategic risks on the relevant directorate risk registers, as well as in a discrete Strategic Risk Register, reviewed on a quarterly basis by the Finance, Audit and Compliance Committee as well as the Council of Trustees, with an accompanying narrative that explains why scoring has changed and/or the circumstances surrounding any red residual risks.



## MOSOPE, 24

After a traumatic childhood, Mosope, grew up in foster care from the age of 11. When she found out she was pregnant, Depaul supported her to get counselling to deal with her own childhood trauma.

"I was having a baby, and before my baby came I wanted to sort out issues from my past and so I could be a better mum to my child. Depaul set up weekly sessions on this for quite a few weeks with a professional counsellor.

"It has really helped to let me move beyond the experiences I had as a child. Making it ok that I have dealt with these experiences and not having to repeat those same experiences once you have a child.

"I don't think I've come across an organisation like this before. It's so rare to combine the benefits you get from it.

"I have support from Depaul still - checking up on me, calling me and making sure my mental health is good.

**"I'VE HAD MY BABY AND HE IS 9 MONTHS NOW. I'M DEFINITELY PROUD OF MYSELF."**



Mosope with her child  
© Depaul UK



# STRUCTURE, GOVERNANCE AND MANAGEMENT

## DEPAUL UK CHARITABLE OBJECTS AND PUBLIC BENEFIT

**Depaul UK's charitable objects are:**

- The prevention and relief of 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.
- Nothing in the articles shall authorise an application of the property of the charity for purposes that are not charitable, in accordance with section 7 of the Charity and Trustee Investment (Scotland) Act 2005.

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

**That guidance sets out two key principles:**

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

The provision of accommodation and support fully meets the Charity Commission's public benefit test.

## CONSTITUTION

Depaul UK (the Charity) is registered as a charitable company limited by guarantee. 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 charity registered with the Charity Commission (number 802384) and Office of the Scottish Charity Regulator (number SC049244).

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 is a subsidiary of Depaul International by virtue of the rights conferred on Depaul International in the Articles of Association.

Depaul UK has two of its own subsidiaries, Depaul Housing Services (DHS) and Depaul UK Trading CIC.

Depaul Housing Services is an incorporated Private Company, a Registered Charity and Registered Provider of Social Housing. A robust parent/subsidiary relationship and high standard of governance is facilitated by biannual meetings of the Chairs of both Boards, the Depaul UK/DHS CEO and the DHS Lead Officer.

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.

## THE COUNCIL OF TRUSTEES, THE COMMITTEES AND THE EXECUTIVE TEAM

The Council of Trustees (the Council) currently consists of 11 members. They are also the directors of Depaul UK. The Trustees are responsible for, and committed to, leading the Charity in accordance with its charitable objects. The Council approves the Charity's strategic and business plans and associated financial planning and budgets, and monitors their delivery.

Trustees are recruited for a three-year term and may then 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 the strategic plans of the Charity.

The Chief Executive and the Trustees appoint a number of Executive Directors who, while not being Trustees, 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 role.

## THE COUNCIL'S COMMITTEES

**The Committees are:**

The Services and Business Development Committee: This Committee's main role is to recommend to the Council the Services and Business Development Strategy, and to monitor the implementation of services and safeguarding across Depaul UK.

The Fundraising and Communications Committee: This Committee's 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 the Council.

The Finance, Audit and Compliance Committee: This Committee's 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 People and Remuneration Committee: This Committee's 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's 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 and the Council Chair, meets to discuss strategic challenges and priorities, and how the Committees can work best together to support delivery on them. This Committee also agrees the forthcoming Council meeting agenda.

### THE EXECUTIVE TEAM

The Executive Team comprises the paid strategic leaders of the Charity and is supported by the staff working with them, the most senior of which form the Leadership Team.

The Executive Team provides the Charity's day-to-day executive leadership. The team is led by the Chief Executive and comprises the Executive Directors for Operations; Fundraising and Communications; Finance, IT and Organisational Performance; and People and Organisational Development. The Executive Team meetings take place regularly and are chaired by the Chief Executive.

### POLICIES ADOPTED FOR RECRUITMENT AND INDUCTION OF TRUSTEES

The Council also manages the process for the recruitment of new Trustees and the appointment of the Chair and Vice-Chair, according to agreed policy and procedures. A skills audit of Trustees is undertaken regularly to assist in identifying what skills and experience are lacking on the Council. This, in turn, influences the recruitment, selection and appointment process, which involves open and transparent advertising.

All Trustees go through a full, comprehensive induction process on appointment, which includes the provision of key Charity Commission guidance on being an effective Trustee and on Public Benefit. Relevant training is then made available throughout their period of appointment to ensure they are able and confident to perform their duties as Trustees.

### THE CHARITY GOVERNANCE CODE

The Trustees 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. To this end, an assessment against the refreshed Code, published in 2020, will be undertaken in due course.



Young man in supported accommodation  
© Depaul UK



## PAY POLICY FOR SENIOR STAFF

When setting the CEO's remuneration and reviewing it, 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 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, which can help in making 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, in

which 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.

In 2021 the CEO and Executive Team were awarded a 3% pay uplift. This was the first executive pay increase since 2018 and was in line with pay awards made to Depaul employees.

Our Trustees, who are also directors of the charitable company, are volunteers and give their time freely. No Trustee received remuneration for the year. Details of Trustees' expenses and related party transactions are disclosed in Note 25 to the accounts.

## GENDER PAY GAP

As at 5 April 2020, female staff received a gross hourly rate of £14.27 and the male employees £14.50, which represents a gender pay gap of 1.59%. This compared to an overall national average pay gap of 13.3% (male employees receive an hourly wage 13.3% higher than female employees).

## STATEMENT ON EMPLOYEE ENGAGEMENT

While we faced ongoing restrictions to travel and face-to-face meetings throughout 2021, the Executive Team at Depaul continued several initiatives to ensure continued personal engagement with staff, and that our staff were supported and kept informed of organisational developments.

### Activity included:

- A weekly Executive Directors briefing, including updates on internal procedures and policy, resources for staff, good news stories and learning opportunities.
- An Executive Roadshow – the team visited each operational region and met face-to-face with staff teams. These were informal, staff-led sessions, which focused on new developments and organisational growth. Staff had the opportunity to ask questions and the key themes discussed were environmental sustainability, pay and reward, bids and new services, and client resources.
- The Employee Voice Champions group met biannually to feed back to the Executive Team and Leadership Team regarding health and safety, employee engagement, pay and reward, policy and procedure, good practice and sharing innovation.
- We conducted an all-staff survey regarding diversity, inclusion and equal opportunity, the results of which were fed into our Executive Directors' work plans and strategic objectives.

- We ran an organisation-wide consultation programme (Back4Good), which involved cross-functional staff teams, at all levels, identifying organisational good practice and positive change that had come from the pandemic. This led, for example, to the implementation of our Hybrid Working policy, a review of our IT hardware and software use and purchasing strategy, changes to our recruitment and interviewing process, and the implementation of Active Wellbeing Management.

A review of our benefits package has begun and will continue into 2022.



REFERENCE AND ADMINISTRATIVE  
DETAILS OF THE COMPANY, ITS  
TRUSTEES AND ADVISERS, FOR  
THE YEAR ENDED 31 DECEMBER  
2021

Trustees

Suzanne McCarthy, Chair (left the Board 30 June 2021)  
Sandeep Katwala, Chair (joined the Board 1 July 2021)  
Urvashi Bhagat (joined the Board 21 February 2022)  
Rt. Rev Mark Bryant (left the Board 30 June 2021)  
Fr. Eugene Curran  
John Dunn  
Anthony Harris (left the Board 14 June 2022)  
Ian Hellowell  
Ben Jackson  
Steve James (joined the Board 21 February 2022)  
Michael Jones (left the Board 6 December 2021)  
Katy Porter  
Helen O’Shea, Vice-Chair (left the Board 6 December 2021)  
Edward Tait  
Sr. Mary Timmons DC (left the Board 6 December 2021)  
Sr. Maureen Tinkler DC (joined the Board 22 February 2022)  
Michael Wells FCA (left the Board 6 December 2021)

Company registered number

02440093

Charity registered numbers

802384 (Charity Commission, England and Wales) and SC049244 (Office of the Scottish Charity Regulator, Scotland)

Registered and principal office

Sherborne House, 34 Decima Street,  
London SE1 4QQ

Company Secretary

Judith Rowland-Hill (to 22 April 2022)  
Penny Bull (from 22 April 2022)

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 C1R 4BX  
SA Law, 91 Wimpole Street, Marylebone,  
London W1G 0EF

Investment Advisors

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

STATEMENT OF TRUSTEES'  
RESPONSIBILITIES

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the

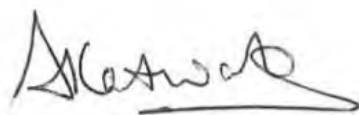
company's transactions, and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable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



## PROVISION OF INFORMATION TO THE AUDITOR

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

So far as each of the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and each of 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:



Sandeep Katwala, Chair of Trustees

Date: Saturday 17 September, 2022

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF DEPAUL UK

### OPINION

We have audited the financial statements of Depaul UK ('the charitable company') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### OTHER INFORMATION

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

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

We have nothing to report in this regard.

## OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## RESPONSIBILITIES OF TRUSTEES

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from

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

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

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

## EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were health and safety legislation, employment legislation, General Data Protection Regulation (GDPR) and taxation legislation.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management.



Our audit procedures to respond to these risks included enquiries of management, and the Finance, Audit and Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

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

## USE OF OUR REPORT

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



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

Date: 20 September 2022



Depaul UK member of staff chats with client in Sheffield  
© Depaul UK



# STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account)

## FOR THE YEAR ENDED 31 DECEMBER 2021

|  |      | Unrestricted funds | Restricted funds | Total funds   | Restated Total funds |
|--|------|--------------------|------------------|---------------|----------------------|
|  |      | 2021               | 2021             | 2021          | 2020                 |
|  | Note | £'000              | £'000            | £'000         | £'000                |
| <b>Income from:</b>  |      |                    |                  |               |                      |
| Donations and legacies   | 4    | 1,323              | 713              | 2,036         | 2,286                |
| Charitable activities  | 6    | 12,066             | 1,627            | 13,693        | 11,694               |
| Investments  | 5    | 4                  | -                | 4             | 4                    |
| Lotteries  | 7    | 2,796              | -                | 2,796         | 2,593                |
| <b>Total income</b>  |      | <b>16,189</b>      | <b>2,340</b>     | <b>18,529</b> | 16,577               |
| <b>Expenditure on:</b>   |      |                    |                  |               |                      |
| Charitable activities  | 8    | 14,387             | 2,370            | 16,757        | 15,407               |
| Raising funds  | 8    | 1,524              | -                | 1,524         | 1,577                |
| <b>Total expenditure</b>   |      | <b>15,911</b>      | <b>2,370</b>     | <b>18,281</b> | 16,984               |
| <b>Net income/ (expenditure) before net gains on investments</b> |      | <b>278</b>         | <b>(30)</b>      | <b>248</b>    | (407)                |
| Net gains on investments   | 12   | -                  | -                | -             | 1                    |
| <b>Net movement in funds</b>                                     |      | <b>278</b>         | <b>(30)</b>      | <b>248</b>    | (406)                |
| <b>Reconciliation of funds:</b>                                  |      |                    |                  |               |                      |
| Total funds brought forward                                      |      | 6,985              | 807              | 7,792         | 8,198                |
| <b>Total funds carried forward</b>                               |      | <b>7,263</b>       | <b>777</b>       | <b>8,040</b>  | 7,792                |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 56 to 74 form part of these financial statements.

# BALANCE SHEET

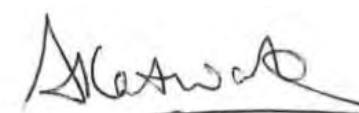
## AS AT 31 DECEMBER 2021

REGISTERED NUMBER: 02440093

|   | Note | 2021<br>£'000  | 2020<br>£'000 |
|---|------|----------------|---------------|
| <b>Fixed assets</b>                                     |      |                |               |
| Tangible assets   | 11   | 3,239          | 3,419         |
| Investments   | 12   | 93             | 93            |
| Social investments                                      | 13   | 47             | 47            |
|   |      | <b>3,379</b>   | 3,559         |
| <b>Current assets</b>                                   |      |                |               |
| Debtors   | 14   | 2,222          | 2,011         |
| Cash at bank and in hand                                |      | 4,798          | 4,759         |
|   |      | <b>7,020</b>   | 6,770         |
| <b>Creditors: amounts falling due within one year</b>   | 15   | <b>(1,934)</b> | (2,060)       |
| <b>Net current assets</b>                               |      | <b>5,086</b>   | 4,710         |
| <b>Total assets less current liabilities</b>            |      | <b>8,465</b>   | 8,269         |
| Creditors: amounts falling due after more than one year | 16   | (425)          | (477)         |
| <b>Total net assets</b>                                 |      | <b>8,040</b>   | 7,792         |
| <b>Charity funds</b>                                    |      |                |               |
| Restricted funds  | 17   | 777            | 807           |
| Unrestricted funds                                      | 17   | 7,263          | 6,985         |
| <b>Total funds</b>                                      |      | <b>8,040</b>   | 7,792         |

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:



**Sandeep Katwala**

Date: 17 September 2022

The notes on pages 56 to 74 form part of these financial statements.



# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

|   | Note | 2021<br>£'000 | 2020<br>£'000 |
|---|------|---------------|---------------|
| <b>Cash flows from operating activities</b>             |      |               |               |
| Net cash provided by operating activities               | 19   | <u>35</u>     | <u>1,186</u>  |
| <b>Cash flows from investing activities:</b>            |      |               |               |
| Dividends, interests and rents from investments         |      | 4             | 4             |
| Purchase of tangible fixed assets                       |      | <u>-</u>      | <u>-</u>      |
| <b>Net cash provided by investing activities</b>        |      | <u>4</u>      | <u>4</u>      |
| <b>Change in cash and cash equivalents in the year</b>  |      | <b>39</b>     | 1,190         |
| Cash and cash equivalents at the beginning of the year  |      | <u>4,759</u>  | <u>3,569</u>  |
| <b>Cash and cash equivalents at the end of the year</b> |      | <u>4,798</u>  | <u>4,759</u>  |

The notes on pages 56 to 74 form part of these financial statements





# NOTES TO THE FINANCIAL STATEMENTS

## FOR YEAR ENDED 31 DECEMBER 2021

### 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 44. 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.

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.

The comparatives have been restated for the year ended 31 December 2020 to reflect a different basis adopted for allocating support costs as well as to increase income and expenditure in relation to a service where the trustees now consider Depaul UK to be acting as principal rather than agent. These restatements have not impacted net income for the year or reserves as at 31 December 2020.

#### 2.2. Going concern

Around 31% of Depaul UK's core charitable activities income is relatively stable rental income, linked to commissioned contracts. A further 49% is also contractual (Supporting People payments). This enables the organisation to finance its core activities. There is a reliance, to a substantial extent, on donations and grants to provide many of the added services such as the prevention and 'wrap around' services. Cash reserves stood at £4.8m at the end of the financial year 31.12.2021 and a strong cash position is projected for the future. The charity has sufficient liquid resources to meet its obligations and deal with costs associated with inflationary conditions and risks associated with cost of living pressures. Based on this, trustees are satisfied that Depaul UK will be able to continue as a going concern for the foreseeable

future and that there is no material uncertainty related to going concern that requires disclosure in the annual report and financial statements. Therefore it is deemed appropriate to prepare the financial statements on a going concern basis.

#### 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.

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<br>Straight line |
| Property refurbishment | - 5% to 20% Straight<br>line       |
| Fixtures and fittings  | - 20 - 25% Straight<br>line        |
| Computerequipment      | - 25 - 33% Straight<br>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.

**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.



### 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.

(iii) Cost allocations: The charity is required to make judgements about which costs should be allocated directly to charitable activities and which should be recorded as support costs. The basis of cost allocation has been changed in the year as referenced in Note 2.1 and the comparatives have been restated.

### 4. Income from donations and legacies

|              | Unrestricted Funds | Restricted Funds | Total Funds  | Total Funds  |
|--------------|--------------------|------------------|--------------|--------------|
|              | 2021               | 2021             | 2021         | 2020         |
|              | £'000              | £'000            | £'000        | £'000        |
| Donations    | 642                | 216              | 858          | 889          |
| Legacies     | 391                | -                | 391          | 132          |
| Grants       | 290                | 497              | 787          | 1,265        |
| <b>Total</b> | <b>1,323</b>       | <b>713</b>       | <b>2,036</b> | <b>2,286</b> |

### 5. Investment income

|                                      | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
|--------------------------------------|--------------------|------------------|-------------|-------------|
|                                      | 2021               | 2021             | 2021        | 2020        |
|                                      | £'000              | £'000            | £'000       | £'000       |
| Income from local listed investments | 1                  | -                | 1           | 1           |
| Investment income - bank interest    | 3                  | -                | 3           | 3           |
| <b>Total</b>                         | <b>4</b>           | <b>-</b>         | <b>4</b>    | <b>4</b>    |

### 6. Income from charitable activities

|              | Unrestricted Funds | Restricted Funds | Total Funds   | Restated Total Funds |
|--------------|--------------------|------------------|---------------|----------------------|
|              | 2021               | 2021             | 2021          | 2020                 |
|              | £'000              | £'000            | £'000         | £'000                |
| Safe Choices | 1,107              | 59               | 1,166         | 775                  |
| Safe Places  | 10,926             | 1,568            | 12,494        | 10,809               |
| Other        | 33                 | -                | 33            | 110                  |
| <b>Total</b> | <b>12,066</b>      | <b>1,627</b>     | <b>13,693</b> | <b>11,694</b>        |

#### Income from charitable activities is made up of:

|                   | Unrestricted Funds | Restricted Funds | Total Funds   | Restated Total Funds |
|-------------------|--------------------|------------------|---------------|----------------------|
|                   | 2021               | 2021             | 2021          | 2020                 |
|                   | £'000              | £'000            | £'000         | £'000                |
| Contracts         | 1,813              | -                | 1,813         | 1,606                |
| Rents and charges | 4,357              | -                | 4,357         | 4,190                |
| Supporting People | 5,767              | 1,066            | 6,833         | 5,376                |
| Statutory grants  | 11                 | 554              | 565           | 412                  |
| Other income      | 118                | 7                | 125           | 110                  |
| <b>Total 2021</b> | <b>12,066</b>      | <b>1,627</b>     | <b>13,693</b> | <b>11,694</b>        |
| <b>Total 2020</b> | <b>11,381</b>      | <b>413</b>       | <b>11,794</b> |                      |

The restricted income above includes £554k (2020: £388k) received from central and local government for the provision of housing services. There are no unfunded commitments.

### 7. Income from Lotteries

Depaul UK received funding of £2,796k during 2021 through Postcode Support Trust, a registered charity in Scotland (SC045861). Postcode Support Trust operates its own society lottery licensed and regulated by the Gambling Commission. In 2020, The People's Postcode Lottery was appointed as Depaul UK's external lottery manager to run lotteries on our behalf and net proceeds of £2,593k was received from lottery draws.



## 8. Expenditure

### Direct costs

|                   | Fundraising  | Safe Choices | Safe Places   | Total funds   | Restated Total funds |
|-------------------|--------------|--------------|---------------|---------------|----------------------|
|                   | 2021         | 2021         | 2021          | 2021          | 2020                 |
|                   | £'000        | £'000        | £'000         | £'000         | £'000                |
| Direct Staff      | 678          | 1,496        | 7,731         | 9,905         | 8,758                |
| Other             | 594          | 278          | 4,544         | 5,416         | 5,053                |
| <b>Total 2021</b> | <b>1,272</b> | <b>1,774</b> | <b>12,275</b> | <b>15,321</b> | 13,811               |
| Total 2020        | 1,277        | 1,249        | 11,285        | 13,811        |                      |

### Support costs

|                   | Fundraising | Safe Choices | Safe Places  | Total funds  | Restated Total funds |
|-------------------|-------------|--------------|--------------|--------------|----------------------|
|                   | 2021        | 2021         | 2021         | 2021         | 2020                 |
|                   | £'000       | £'000        | £'000        | £'000        | £'000                |
| Staff             | 189         | 279          | 1,748        | 2,216        | 2,295                |
| Other             | 63          | 94           | 587          | 744          | 878                  |
| <b>Total 2021</b> | <b>252</b>  | <b>373</b>   | <b>2,335</b> | <b>2,960</b> | 3,173                |
| Total 2020        | 300         | 353          | 2,520        | 3,173        |                      |

### Governance costs

|                        | Unrestricted funds | Total funds | Restated total funds |
|------------------------|--------------------|-------------|----------------------|
|                        | 2021               | 2021        | 2020                 |
|                        | £'000              | £'000       | £'000                |
| Auditor's remuneration | 33                 | 33          | 31                   |
| <b>Total 2021</b>      | <b>33</b>          | <b>33</b>   | 31                   |
| Total 2020             | 31                 | 31          |                      |

## 9. Auditor's remuneration

|  | 2021  | Restated 2020 |
|--|-------|---------------|
|  | £'000 | £'000         |
| Fees payable to the company's auditor for the audit of the company's annual accounts | 33    | 31            |
| Fees payable to the company's auditor in respect of:                                 |       |               |
| All non-audit services not included above  | -     | 3             |

## 10. Staff costs

|   | 2021          | 2020         |
|---|---------------|--------------|
|   | £'000         | £'000        |
| <b>Staff and Volunteer costs</b>            |               |              |
| Salaries and wages                          | 7,929         | 7,585        |
| Social security costs                       | 688           | 661          |
| Pension contributions                       | 446           | 422          |
| Training, travel, insurance and recruitment | 423           | 334          |
| Volunteer expenses                          | 54            | 74           |
| Agency staff                                | 1,706         | 863          |
| <b>Total</b>                                | <b>11,246</b> | <b>9,939</b> |

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 2021 we involved 525 volunteers (2020: 612) 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:

|                            | 2021       | 2020       |
|----------------------------|------------|------------|
|                            | £'000      | £'000      |
| Safe Choices               | 31         | 27         |
| Safe Places                | 194        | 193        |
| Cost of Generating funds   | 21         | 23         |
| Support and administration | 34         | 36         |
| <b>Total</b>               | <b>280</b> | <b>279</b> |



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

|                                | 2021<br>£'000 | 2020<br>£'000 |
|--------------------------------|---------------|---------------|
| In the band £70,001 - £80,000  | 2             | 3             |
| In the band £80,001 - £90,000  | 1             | -             |
| In the band £90,001 - £100,000 | 1             | 1             |

The remuneration paid to key management personnel amounted to £480,927 (2020: £471,807).

Employer contributions made to the Depaul pension scheme for the employees who earned over £60,000 during the year amounted to £25,332 (2020: £23,910). The remuneration policy is set out in detail in the Trustees' Strategic Report.

During the year £11,178 (2020: £26,684) was paid out in redundancy payments. All obligations in relation to redundancy are recognised in the year in which the redundancy is agreed.

## 11. Tangible fixed assets

|                          | Freehold<br>Property | Leasehold<br>Improvements | Fixtures<br>and<br>Fittings | Computer<br>Equipment | Total |
|--------------------------|----------------------|---------------------------|-----------------------------|-----------------------|-------|
|                          | £'000                | £'000                     | £'000                       | £'000                 | £'000 |
| <b>Cost or valuation</b> |                      |                           |                             |                       |       |
| At 1 January 2021        | 2,485                | 1,036                     | 147                         | 473                   | 4,141 |
| Additions                | -                    | -                         | -                           | -                     | -     |
| Disposals                | -                    | -                         | -                           | -                     | -     |
| At 31 December 2021      | 2,485                | 1,036                     | 147                         | 473                   | 4,141 |
| <b>Depreciation</b>      |                      |                           |                             |                       |       |
| At 1 January 2021        | 124                  | 156                       | 120                         | 322                   | 722   |
| Charge for year          | 19                   | 56                        | 9                           | 96                    | 180   |
| At 31 December 2021      | 143                  | 212                       | 129                         | 418                   | 902   |
| <b>Net Book Value</b>    |                      |                           |                             |                       |       |
| At 31 December 2021      | 2,342                | 824                       | 18                          | 55                    | 3,239 |
| At 31 December 2020      | 2,361                | 880                       | 27                          | 151                   | 3,419 |

## 12. Fixed asset investments

| Cost or valuation          | Listed<br>Investments<br>£'000 |
|----------------------------|--------------------------------|
| At 1 January 2021          | 93                             |
| Revaluations               | -                              |
| <b>At 31 December 2021</b> | <b>93</b>                      |
| <b>Net book value</b>      |                                |
| <b>At 31 December 2021</b> | <b>93</b>                      |
| At 31 December 2020        | 93                             |

## 13. Programme related investments

| Market value                           | Programme<br>related<br>Investments<br>£'000 |
|--|--|
| At 1 January 2021 and 31 December 2021 | 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.

## 14. Debtors

|                                     | 2021<br>£'000 | 2020<br>£'000 |
|-------------------------------------|---------------|---------------|
| <b>Due after more than one year</b> |               |               |
| Amounts owed by group undertakings  | 120           | 124           |
|                                     | <b>120</b>    | 124           |
| <b>Due within one year</b>          |               |               |
| Trade debtors                       | 910           | 791           |
| Amounts owed by group undertakings  | 254           | 271           |
| Other debtors                       | 202           | 228           |
| Prepayments and accrued income      | 736           | 597           |
|                                     | <b>2,102</b>  | 1,887         |
| <b>Total debtors</b>                | <b>2,222</b>  | 2,011         |



**15. Creditors: Amounts falling due within one year**

|                                    | 2021         | 2020         |
|------------------------------------|--------------|--------------|
|                                    | £'000        | £'000        |
| Trade creditors                    | 562          | 679          |
| Amounts owed to group undertakings | -            | 22           |
| Other taxation and social security | 184          | 170          |
| Other creditors                    | 62           | 95           |
| Accruals and deferred income       | 1,126        | 1,094        |
| <b>Total</b>                       | <b>1,934</b> | <b>2,060</b> |

|                                       | 2021       | 2020       |
|---------------------------------------|------------|------------|
|                                       | £'000      | £'000      |
| <b>Deferred income</b>                |            |            |
| <b>Deferred income at 1 January</b>   | <b>442</b> | <b>323</b> |
| Resources deferred during the year    | 325        | 442        |
| Amounts released from previous years  | (442)      | (323)      |
| <b>Deferred income at 31 December</b> | <b>325</b> | <b>442</b> |

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 funds have been imposed by the funder.

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

|             | 2021  | 2020  |
|-------------|-------|-------|
|             | £'000 | £'000 |
| Other loans | 425   | 477   |

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

|                                     | 2021  | 2020  |
|-------------------------------------|-------|-------|
|                                     | £'000 | £'000 |
| Payable or repayable by instalments | 179   | 232   |

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.

**17. Statement of funds**

|                           | Balance at 1 January 2021 | Income          | Expenditure          | Transfers in/out | Gains/(losses) | Balance at 31 December 2021 |
|---------------------------|---------------------------|-----------------|----------------------|------------------|----------------|-----------------------------|
|                           | £'000                     | £'000           | £'000                | £'000            | £'000          | £'000                       |
| <b>Unrestricted funds</b> |                           |                 |                      |                  |                |                             |
| <b>Designated funds</b>   |                           |                 |                      |                  |                |                             |
| Fixed Assets              | 3,419                     | -               | -                    | (180)            | -              | 3,239                       |
| <b>General funds</b>      |                           |                 |                      |                  |                |                             |
| General Funds             | 3,566                     | 16,189          | (15,911)             | 180              | -              | 4,024                       |
| <b>Unrestricted funds</b> | <b>6,985</b>              | <b>16,189</b>   | <b>(15,911)</b>      | <b>-</b>         | <b>-</b>       | <b>7,263</b>                |
| <b>Restricted funds</b>   |                           |                 |                      |                  |                |                             |
| Restricted funds          | 807                       | 2,340           | (2,370)              | -                | -              | 777                         |
| <b>Total of funds</b>     | <b>7,792</b>              | <b>18,529</b>   | <b>(18,281)</b>      | <b>-</b>         | <b>-</b>       | <b>8,040</b>                |
|                           | Balance at 1 January 2020 | Restated Income | Restated Expenditure | Transfers in/out | Gains/(losses) | Balance at 31 December 2020 |
|                           | £'000                     | £'000           | £'000                | £'000            | £'000          | £'000                       |
| <b>Unrestricted funds</b> |                           |                 |                      |                  |                |                             |
| <b>Designated funds</b>   |                           |                 |                      |                  |                |                             |
| Fixed Assets              | 3,650                     | -               | -                    | (231)            | -              | 3,419                       |
| Maintenance               | 90                        | -               | -                    | (90)             | -              | -                           |
| Property Development      | 1,500                     | -               | (303)                | (1,197)          | -              | -                           |
| Depaul Housing Services   | 132                       | -               | -                    | (132)            | -              | -                           |
| Endeavour Amenities       | 53                        | -               | -                    | (53)             | -              | -                           |
|                           | 5,425                     | -               | (303)                | (1,703)          | -              | 3,419                       |
| <b>General funds</b>      |                           |                 |                      |                  |                |                             |
| General Funds             | 1,482                     | 15,233          | (14,853)             | 1,703            | 1              | 3,566                       |
| <b>Unrestricted funds</b> | <b>6,907</b>              | <b>15,233</b>   | <b>(15,156)</b>      | <b>-</b>         | <b>1</b>       | <b>6,985</b>                |
| <b>Restricted funds</b>   |                           |                 |                      |                  |                |                             |
| Restricted funds          | 1,291                     | 1,344           | (1,828)              | -                | -              | 807                         |
| <b>Total of funds</b>     | <b>8,198</b>              | <b>16,577</b>   | <b>(16,984)</b>      | <b>-</b>         | <b>1</b>       | <b>7,792</b>                |

**Designated funds:**

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

**18. Analysis of net assets between funds****Analysis of net assets between funds- current period**

|                                      | <b>Unrestricted<br/>funds</b> | <b>Restricted<br/>funds</b> | <b>Total<br/>funds</b> |
|--------------------------------------|-------------------------------|-----------------------------|------------------------|
|                                      | <b>2021</b>                   | <b>2021</b>                 | <b>2021</b>            |
|                                      | <b>£'000</b>                  | <b>£'000</b>                | <b>£'000</b>           |
| Tangible fixed assets                | 3,239                         | -                           | <b>3,239</b>           |
| Fixed asset investments              | 93                            | -                           | <b>93</b>              |
| Social investments                   | 47                            | -                           | <b>47</b>              |
| Debtors due after more than one year | 120                           | -                           | <b>120</b>             |
| Current assets                       | 6,123                         | 777                         | <b>6,900</b>           |
| Creditors due within one year        | (1,934)                       | -                           | <b>(1,934)</b>         |
| Creditors due in more than one year  | (425)                         | -                           | <b>(425)</b>           |
| Total                                | <u>7,263</u>                  | <u>777</u>                  | <u><b>8,040</b></u>    |

**Analysis of net assets between funds- prior period**

|                                      | <b>Unrestricted<br/>funds</b> | <b>Restricted<br/>funds</b> | <b>Total<br/>funds</b> |
|--------------------------------------|-------------------------------|-----------------------------|------------------------|
|                                      | <b>2020</b>                   | <b>2020</b>                 | <b>2020</b>            |
|                                      | <b>£'000</b>                  | <b>£'000</b>                | <b>£'000</b>           |
| Tangible fixed assets                | 3,419                         | -                           | 3,419                  |
| Fixed asset investments              | 93                            | -                           | 93                     |
| Social investments                   | 47                            | -                           | 47                     |
| Debtors due after more than one year | 124                           | -                           | 124                    |
| Current assets                       | 5,839                         | 807                         | 6,646                  |
| Creditors due within one year        | (2,060)                       | -                           | (2,060)                |
| Creditors due in more than one year  | (477)                         | -                           | (477)                  |
| Total                                | <u>6,985</u>                  | <u>807</u>                  | <u>7,792</u>           |

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

|   | <b>2021</b>       | 2020         |
|---|-------------------|--------------|
|   | <b>£'000</b>      | £'000        |
| Net income/ (expenditure) for the year (as per Statement of Financial Activities) | <u><b>248</b></u> | <u>(406)</u> |
| <b>Adjustments for:</b>   |                   |              |
| Depreciation charges  | 180               | 231          |
| Gains on investments  | -                 | (1)          |
| Dividend, interests and rents from investments                                    | (4)               | (4)          |
| (Increase)/ Decrease in debtors   | (211)             | 999          |
| (Decrease)/ Increase in creditors   | (178)             | 367          |
| <b>Net cash provided by operating activities</b>                                  | <u><b>35</b></u>  | <u>1,186</u> |

**20. Analysis of cash and cash equivalents**

|              | <b>2021</b>         | 2020         |
|--------------|---------------------|--------------|
|              | <b>£'000</b>        | £'000        |
| Cash in hand | <u><b>4,798</b></u> | <u>4,759</u> |

**21.Analysis of changes in net debt**

|                          | <b>At 1 January<br/>2021</b> | <b>Cash flows</b> | <b>Other non-<br/>cash changes</b> | <b>At 31<br/>December<br/>2021</b> |
|--------------------------|------------------------------|-------------------|------------------------------------|------------------------------------|
|                          | <b>£'000</b>                 | <b>£'000</b>      | <b>£'000</b>                       | <b>£'000</b>                       |
| Cash at bank and in hand | 4,759                        | 39                | -                                  | 4,798                              |
| Debt due within 1 year   | (52)                         | 52                | (52)                               | (52)                               |
| Debt due after 1 year    | (477)                        | 52                | -                                  | (425)                              |
|                          | <u><b>4,230</b></u>          | <u><b>143</b></u> | <u><b>(52)</b></u>                 | <u><b>4,321</b></u>                |



## 22. Operating lease commitments

At 31 December 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|  | 2021<br>£'000 | 2020<br>£'000 |
|--|---------------|---------------|
| Not later than 1 year                        | 70            | 51            |
| Later than 1 year and not later than 5 years | 76            | 91            |
| Later than 5 years                           | 185           | 228           |
|  | <b>331</b>    | <b>370</b>    |

## 23. 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 Vincents Centre, Carlisle Place, London, SW1P 1NL. Consolidated Financial Statements are available from Companies House.

## 24. 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%         |

## 25. Related party transactions

No trustees received remuneration (2020: Nil). One Trustee received reimbursement of one expense amounting to £94 in the current year (2020: nil).

During the year, Depaul UK paid no purchase invoices (2020: £329) on behalf of Depaul Trading CIC. As at 31 December 2021, the total outstanding was £80k (2020: £92k).

During the year Depaul UK paid £150k (2020: £157k) to Depaul International as annual subscription to the group. Depaul UK also recharged £9k (2020: £9k) towards the cost of financial administration and incurred another £50k (2020: £44k) in expenses on behalf of Depaul International while Depaul International paid £9k (2020: £25k) of invoices and expenses of Depaul UK and collected donations income of £20k (2020: £129k) on behalf of Depaul UK. At the end of the year Depaul International owed Depaul UK £8k (2020: Depaul UK owed Depaul International £21k).

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 paid invoices and management costs of £27k (2020: £713k) on behalf of Depaul Housing Services and Depaul Housing Services charged rental income of £70k (2020: £70k) to Depaul UK. In 2020, Depaul UK donated a grant to Depaul Housing Services for £403k as a contribution towards the Manchester Safestop refurbishment project and £25k was returned by Depaul Housing Services this year. As at 31 December 2021 Depaul Housing Services owed £286k (2020: £300k) to Depaul UK.

During the year Depaul UK paid £2,500 (2020: £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.

## 26. 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 27 of the financial statements.

### Safestop Manchester- Landaidd Charitable Trust

|                       | 2021  | 2020  |
|-----------------------|-------|-------|
|                       | £'000 | £'000 |
| Funds brought forward | -     | -     |
| Grant received        | -     | 100   |
| Expenditure           | -     | (100) |
| Funds carried forward | -     | -     |

### Nightstop Northeast- Big Lottery Fund

|                       | 2021  | 2020  |
|-----------------------|-------|-------|
|                       | £'000 | £'000 |
| Funds brought forward | 53    | 40    |
| Grant received        | 40    | 80    |
| Expenditure           | (93)  | (67)  |
| Funds carried forward | -     | 53    |

### Nightstop Northeast - Cumbria County Council

|                       | 2021  | 2020  |
|-----------------------|-------|-------|
|                       | £'000 | £'000 |
| Funds brought forward | -     | 1     |
| Grant received        | 25    | 24    |
| Expenditure           | (25)  | (25)  |
| Funds carried forward | -     | -     |

## 27. Restricted Funds

|                        | Balance at 1 January 2021 | Income       | Expenditure    | Balance at 31 December 2021 |
|------------------------|---------------------------|--------------|----------------|-----------------------------|
|                        | £'000                     | £'000        | £'000          | £'000                       |
| Alone in London        | 381                       | 273          | (333)          | 321                         |
| National Programmes    | 45                        | 137          | (132)          | 50                          |
| Nightstop              | 243                       | 638          | (701)          | 180                         |
| Safestop               | 64                        | 25           | (35)           | 54                          |
| The Youth Hub          | -                         | 1,066        | (916)          | 150                         |
| Other Restricted Funds | 74                        | 201          | (253)          | 22                          |
| <b>Total 2021</b>      | <b>807</b>                | <b>2,340</b> | <b>(2,370)</b> | <b>777</b>                  |
| Total 2020             | 1,291                     | 1,344        | (1,828)        | 807                         |

|                        | Balance at 1 January 2020 | Income       | Expenditure    | Transfers | Balance at 31 December 2020 |
|------------------------|---------------------------|--------------|----------------|-----------|-----------------------------|
|                        | £'000                     | £'000        | £'000          | £'000     | £'000                       |
| Alone in London        | -                         | 243          | (307)          | 445       | 381                         |
| National Programmes    | 279                       | 149          | (423)          | 40        | 45                          |
| Nightstop              | 210                       | 643          | (694)          | 84        | 243                         |
| Safestop               | 28                        | 156          | (120)          | -         | 64                          |
| South Tyneside         | 9                         | -            | (9)            | -         | -                           |
| Other Restricted Funds | 765                       | 153          | (275)          | (569)     | 74                          |
| <b>Total 2020</b>      | <b>1,291</b>              | <b>1,344</b> | <b>(1,828)</b> | <b>-</b>  | <b>807</b>                  |

Restricted funds represent funds unspent as at 31 December 2021 that have been donated for a specific purpose and include:

### ALONE IN LONDON

Funds donated specifically to provide advice and support to young people who are homeless or at risk of homelessness. Its work includes advice, family mediation, first contact and schools work, complementing the work of Nightstop and programmes teams.

### 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.

## THE YOUTH HUB

Funds donated specifically to provide accommodation with support to young people who are sleeping rough in London, or at imminent risk of having to do so

### 28. Prior period Statement of Financial Activities (Restated)

|   |    | Unrestricted funds | Restricted funds | Total funds   | Total funds |
|---|----|--------------------|------------------|---------------|-------------|
|   |    | 2020               | 2020             | 2020          | 2019        |
| Note  |    | £'000              | £'000            | £'000         | £'000       |
| <b>Income from:</b>   |    |                    |                  |               |             |
| Donations and legacies  | 4  | 1,355              | 931              | 2,286         | 2,227       |
| Charitable activities   | 6  | 11,281             | 413              | 11,694        | 10,830      |
| Other trading activities  |    | -                  | -                | -             | 102         |
| Investments   | 5  | 4                  | -                | 4             | 6           |
| Lotteries   | 7  | 2,593              | -                | 2,593         | 2,903       |
| <b>Total income</b>   |    | <b>15,233</b>      | <b>1,344</b>     | <b>16,577</b> | 16,068      |
| <b>Expenditure on:</b>  |    |                    |                  |               |             |
| Charitable activities   |    | 13,579             | 1,828            | 15,407        | 14,613      |
| Raising funds   |    | 1,577              | -                | 1,577         | 1,687       |
| <b>Total expenditure</b>  |    | <b>15,156</b>      | <b>1,828</b>     | <b>16,984</b> | 16,300      |
| <b>Net income/(expenditure) before net gains on investments</b> |    | <b>77</b>          | <b>(484)</b>     | <b>(407)</b>  | (232)       |
| Net gains on investments  | 12 | 1                  | -                | 1             | 5           |
| <b>Net movement in funds</b>                                    |    | <b>78</b>          | <b>(484)</b>     | <b>(406)</b>  | (227)       |
| <b>Reconciliation of funds:</b>                                 |    |                    |                  |               |             |
| Total funds brought forward                                     |    | 6,907              | 1,291            | 8,198         | 8,425       |
| <b>Total funds carried forward</b>                              |    | <b>6,985</b>       | <b>807</b>       | <b>7,792</b>  | 8,198       |



Two Depaul UK clients smile at fundraising event  
© Depaul UK



Homelessness has no place

# SUPPORTING YOUNG PEOPLE AFFECTED BY HOMELESSNESS IN THE UK

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