

THE HOPE FOUNDATION



The Hope Foundation

Directors' Report & Financial Statements Year Ended 31 March 2016



Working with the Street & Slum Children of Kolkata

Company Number: 303111(Eire)

Charity Number: CHY13237

Charities Regulatory Authority Number: 20040710

THE HOPE FOUNDATION
Year Ended 31 March 2016
Directors and Other Information

REFERENCE AND ADMINISTRATIVE INFORMATION

Board of Directors

| | | |
|--------------------------------------|---|--|
| Dr. Dermot O'Mahoney (Chairman) | Frank O'Connell (appointed 01.10.15) | Dr. Mary O'Shaughnessy (appointed 01.10.15) |
| Mairead Sorensen (Vice Chairman) | Dr. Mick Molloy (appointed 01.10.15) | Rosie Stroud (appointed 01.10.15) |
| Maureen Forrest (Hon. Director) | Rosemary McHugh (appointed 05.01.15) | Jeremy Hayes (appointed 01.10.15) |
| Marie Kennelly | Michael Murphy (appointed 01.10.15) | Shruthi Chindalur (appointed 01.10.15) |
| Jenny Browne (appointed 01.10.15) | Graham Healy (appointed 01.10.15) | Anthony Norman Childs (appointed 01.10.15) |

Secretary

Madeleine Cummins

Company Number

303111

Charity Number

CHY 13237

Charities Regulatory Authority No.

20040710

Registered Office

Silverdale Grove, Ballinlough, Cork

Auditors

Deloitte,
Chartered Accountants & Statutory Audit Firm,
No. 6 Lapp's Quay, Cork.

Bankers

Allied Irish Bank, 66 South Mall, Cork.
Permanent tsb, 40/41 Patrick Street, Cork.
KBC, Sandwith Street, Dublin 2.

Pro-bono Solicitors

Daly Derham Donnelly, 1/A Washington Street, Cork.
Byrne Wallace, 87-88 Harcourt Street, Dublin 2

THE HOPE FOUNDATION
Year Ended 31 March 2016
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Message from Chairman

MESSAGE FROM CHAIRMAN

As I introduce The Hope Foundation's 2015-2016 financial report I would like to pay a special thanks and tribute to the staff, volunteers, donors, students and extended members of the HOPE family whose dedication and hard work enable HOPE to achieve such a magnitude of results throughout Ireland and India annually. Our charities in Ireland have been going through a particularly hard time for all the wrong reasons. Just when we thought that we are coming out from the recession where individuals, families and companies alike were desperately trying to claw their way out of recession, we have been assailed by a crisis of confidence in the entire charity sector. People are angry and rightly so, having always donated to charities so generously, and those of us who are committed to the highest levels of international best practice in governance are angry. At the end of the day the people who will suffer as a result of this fallout are the most vulnerable in our global society – those who need us most; children, the homeless, the old, the sick, the poor and the most underprivileged.



I would like to take this opportunity to give key governance information on The Hope Foundation. HOPE has in the past and continues to strive to adhere to the best practices for charities throughout Ireland, and as chairman of HOPE, I guarantee the transparency, accountability, reporting and accurate financial management systems remains at the core of our daily operations. HOPE is a member of Charities Regulatory Authority, The Wheel, Dochas, and Consortium for Street Children and Charities Ireland (New entity after the merging of ICTR and Fundraising Ireland). HOPE is also a signatory and has adopted to implement good governance codes established by the Governance Code and Charities Ireland. HOPE complies with the Statement of Recommended Practice (SORP) and Irish law and regulations applicable to charities preparing their accounts.

HOPE's commitment to the disadvantaged communities of Kolkata remains fixed. Throughout the terrible difficulties of the past years of recession, we have succeeded in honouring all our commitments to the street and slum dwellers and the children that are in need of our help in Kolkata. We are immensely proud to have invested into the lives of thousands of children and families in our short existence, and continue to devote our resources into the areas of education, healthcare, protection and livelihoods, for those who were before forced into a daily struggle of abject poverty.

This could not have been done without the wonderful generosity and loyal support of our donors, volunteers and staff in Ireland, India and the UK. As we look forward to another year, I wish to express our deepest thanks and gratitude for your ongoing support and ask for your continued support, the children that we help do not have anybody else to call upon – we are their only life-line to survival.

Best wishes,

A handwritten signature in black ink, appearing to read 'Dermot O' Mahoney'. The signature is fluid and cursive, written over a light blue horizontal line.

Dr. Dermot O' Mahoney, FCCA, ACIS, Dip A, QFAFLIA
Chairman, The Hope Foundation

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Year Ended 31 March 2016

Directors' Report

VISION AND OBJECTIVES

The directors present their report and the audited financial statements for the financial year ended 31 March 2016.

Legal status

The Hope Foundation ("HOPE") is a company limited by guarantee and not having a share capital, incorporated in Ireland on 9th March 1999. The registration number of the company is 303111. HOPE has been granted charitable status by the Revenue Commissioners. HOPE's charity registration number is CHY 13237 and its Charities Regulatory Authority number is 20040710. All income received is applied solely towards the promotion of the charitable objectives of HOPE.

Vision

'A world where it should never hurt to be a child'. Delivering childhoods to children, futures to adults and sustainability to communities.

Objectives

The main objects, as stated in the memorandum of articles, for which HOPE is established, are:

- To provide for the relief of poverty through the support, assistance and advancement of children and adults in need in less developed areas of the world through the provision of education, shelter, healthcare and supporting activities including the promotion and provision of residential care and structures of support.
- The assistance and engagement in the world spectrum of care services of children and adults in less developed areas of the world.
- The development of leadership, empowerment and community support structures for orphans and vulnerable children in less developed areas of the world.

Mission Statement

To fundraise to improve the quality of life for the most marginalised, primarily in India, by ensuring their basic rights and enhancing the dignity of their life with protection, health, education and economic development in a sustainable life cycle approach.

Our Values

- **Accountability & Transparency:** We recognise our responsibility to donors, sponsors and fundraisers who support us and are committed to good governance. We equally recognise our responsibility to those whom we support and take responsibility of achieving results for effective programme delivery, providing sustainable and positive impacts.
- **Innovation & Creativity:** We are open to accept and develop new ideas and believe in systematic change for sustainable solutions.

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- **Integrity:** We aspire to the highest standards of honesty and encourage critical thinking for further development. We never compromise on equality and act for the best interests of those whom we work with, with a special focus on child-centred policy and practice.
- **Collaboration:** With communities at our core, we believe in building and fostering partnerships at different levels in order to leverage regional and global strength for sustainable development.

Strategic & Future Planning

HOPE's latest Strategic Plan for 2016-2021 was approved at the Board's AGM on 15th December 2015. The plan outlines our aims and objectives for the next five years. A copy of the strategic plan is available on The Hope Foundation's website.

ACHIVEMENTS AND PERFORMANCE

HOPE continued to provide support to 11 partner organisations in Kolkata in 2015/16. Our volunteer programme has seen an increased growth with further third level engagement. Secondary School Development Education programmes continue to be delivered in Ireland and increased engagement with the immersion programme has helped support our programme of activities. The Hope Foundation continued supporting vulnerable children and communities in order to achieve programmatic goals set in HOPE's strategic plan.

1. Healthcare

Our goal: To improve the health status of children and families living on the streets and in slums in Kolkata.

The following healthcare projects helped us to achieve our aim:

- Community Healthcare Project: Jana Swathya Suraksha (JSS) programme to generate awareness on environmental, social and health issues and to facilitate access to existing Government schemes through various mediums.
- Hope Hospital: 34 bedded unit with a focus on street children and below poverty line patients.
- Iswar Sankalpa: Community Based Care for Homeless Mentally Ill
- HIVE Emergency Response Unit: Provides medical care to unattended and uncared people on the street.

Our JSS Community Healthcare Programme, a significant project of HOPE's overall healthcare programme, began in 2007. The programme was divided into 3 phases to make it more impact oriented: The *Stage of Initiation* (2007-11); The *Stage of Consolidation* (2011-15); and the current final phase: The *Stage of Phasing Out* (2015-17). Currently in the Phasing out period of Phase 3, the programme aims to make the slum communities self-reliant to address issues on their basic rights with regard to health and social development, while simultaneously withdrawing our direct services from the intervention areas.

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The HOPE Hospital was established in May 2008, catering to the secondary healthcare needs of street and slum dwelling children and adults. To meet these objectives, HOPE Hospital has an in-patient department with an intensive care unit (30 general beds and 4 beds in the ICU), an out-patient department, diagnostic centre, surgical department and a new pharmacy. Each of these departments coordinate and support each other to ensure the delivery of high quality care and service.

Healthcare Achievements

- Through our JSS programme, 169,498 people in 35 slum communities were provided with access to government health services for Post Natal Care and RTI and STI treatment, awareness sessions, events and campaigns on a wide range of social and health issues including accessing government welfare schemes.
- Hospital: 18,347 patients treated in both in-patient/ out-patients departments.
- The HOPE hospital contributed 74% to its running costs, mainly through its out-patients department.
- Iswar Sankalpa: 137 homeless mentally ill patients received medical and psychiatric care.
- (HIVE) Emergency Response Unit: 808 people were supported through this programme.

2. Education

Our goal: to support children and young people in their education, improve their scholastic performance and to increase school retention.

The following holistic education projects helped us to achieve our aim:

- 3 crèches
- Holistic Education Programme run in 21 schools in 16 communities across Kolkata and Howrah
- 4 Education Centres in Police Stations (Nabadisha Projects)
- 1 Special Needs Education Unit
- 1 Health and Development Through Sports Programme

HOPE's Holistic Education Programme for Underprivileged Children in the slums of Kolkata ensures the basic educational rights of poor children between the ages of 6-18 years, living in derelict and sprawling slums. The successful implementation of Phase-I of the programme has already resulted in huge impacts among the slum communities; 96% of children aged 6-14 years are attending school throughout the slums in which HOPE operates and 75% of children aged 15-17 years are attending school. The intervention has also resulted in a reduction of incidents of drop-out from formal schools and communities are more aware of their entitlements and rights. Over 4,000 children between 6-18 years, from 21 slums in Kolkata and Howrah are enabled to complete their elementary education in a child friendly and inclusive environment through the delivery and implementation of HOPE coaching centres in existing formal schools.

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Education: Achievements

- Through our Holistic Education Programme 788 new children from slum communities were enrolled in formal education thanks to HOPE's intervention.
- Capacity Building & Awareness: Peer educators were provided with training on issues such as life skills, gender, child rights and health and hygiene.
- 7,092 children and parents were provided training and attended educational community awareness camps to be advised on the above issues.
- The new direction of our education programme, although continuing to work in a number of crèches, will now be further rolled out to more locally-run Government schools. The focus of this work will be centered on building the capacity, knowledge and skills of teachers to directly benefit students who are slow-learners, enhancing the quality of education provided to such children and increasing their educational knowledge.

Over 600 children are currently receiving educational sponsorship, many of which are residing in the HOPE Protection Homes.

3. Protection

Our goal: The provision of safe and effective care that enables children to have the optimum life choices and enter adulthood successfully. The following projects helped us to achieve our aim:

12 Residential Protection Homes, including:

- 4 Girls' Homes (Ashar Alo, Kasba, Keertika & PBK Homes)
- 1 Midway home for at risk girls
- 2 Boys' Homes (Bekind & Ashirbad)
- 1 Home for HIV affected and infected children
- 1 Rehabilitation Home for Recovering Solvent Addicted Children
- 1 Mother and Childcare Unit
- 2 Crisis Intervention Centres – Male & Female
- Child Watch Programme
- Anti-Trafficking Project in rural West Bengal
- Strengthening Institutional Care of Children in Government Homes

Protection Achievements:

- 368 boys and girls under the age of 18 are provided with a safe, protective and loving refuge in HOPE Protection Homes.
- Capacity Building & Awareness: Advocating for the rights of street children has always been the main principle of HOPE's child protection intervention.
- 7,466 people benefitted both directly and indirectly from our Anti-Trafficking Project.

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4. Livelihoods

Our goal: To help distressed and marginalized communities to break free from the cycle of poverty.

HOPE's Life-skills Training Institute delivers high-quality vocational training to individuals that are unable to avail of such services elsewhere. Professionally designed training, which is tailored to suit the capabilities of the trainees, provides the young women and men with the opportunity to receive training and a job placement to provide for their families. Training within Life-skills encompasses practical approaches and hands-on learning. These skills empower trainees, build confidence and enable them to gain employment. Each training course is complimented with a certificate upon completion and work placement opportunities, demonstrating how this institute operates as a stepping stone for trainees to enter the wider work environments. This programme ensures they can earn a wage, hence breaking the cyclical poverty trap they were born into.

The following projects help us achieve our aim:

- Vocational Training Institute: Courses Available: Tailoring, Crafts skills, Card Making, Internships and placements on cooking, serving in restaurants, Garment Construction and Computer Skills training.
- Income Generation: This project supports underprivileged women through the formation of self-help groups and income generation activities. Self-help groups play a major role in poverty alleviation and are relevant and effective in offering women a break away from exploitation.

Livelihoods Achievements

- 84 people completed courses and received certification from our Vocational Training Institute.
- Two new courses were added to the programme during the year to provide more opportunities for vocational training – a Hair & Beauty course and an Advanced Tailoring course.

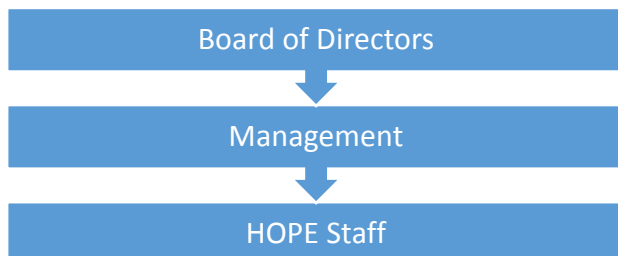
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure



There is a clear division of labour between the Board and the organisation's management, with the Board responsible for major decisions under a formal schedule of matters reserved to the Board for decision. The Honorary Director is responsible for implementing strategy and policy decisions delegated to her by the Board.

We work very closely with a wide variety of like-minded organisations in order to deliver on our programme objectives. We engage in two main types of arrangement:

— Charitable *Programme partnerships* – these arise where HOPE comes together with another organisation in order to complete our programme of work – these are frequently national bodies based in our countries of operation and the relationships typically involve grant arrangements and/or capacity building.

— Fundraising *Programme partnerships* –

These arise where HOPE combine its efforts with other organisations operating in other countries in order to secure large-scale funding opportunities.

Directors and company secretary

The Hope Foundation Directors and company secretary are listed on page 1 of this report.

Board of Directors and Governance

HOPE is governed by a Board of Directors. The responsibility of the Board includes setting the organisation's strategic aims, providing leadership to put these aims into effect, supervising management and reporting to stakeholders.

The Memorandum and Articles of Association, most recently amended in 2016, represent the founding governance document of the Hope Foundation.

The Board meets four times each year and delegates the day-to-day operation of the organisation to the management and staff. The Board retains responsibility for all major decisions that impact on the charity's affairs. Examples of major items which would require board approval include new programmes, new or amended policies, change in marketing strategy, investment of funds, use of unrestricted funds and level of reserves to be maintained. Minutes of all meetings are recorded. The organisation is led by the Chairman of the Board and controlled by the full board of directors that

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discharges its responsibility to ensure that the organisation is performing well, ensuring the unrestricted reserves are at the approved level, and meeting its accounting and legal obligations. The Board reviews its own performance informally. The Board regularly reviews the necessary blend of skills and experience on the board and updates its risk register on a yearly basis.

Board members do not receive any remuneration in respect of their services to the charity. Expenses are reimbursed where claimed. There have been no contracts or arrangements entered into during the financial year in which a board member was materially interested or which were significant in relation to the charity's activities. HOPE has implemented both a Conflict of Interest Policy and a Conflict of Loyalty Policy which are signed by Board members.

The Board is committed to maintaining high standards of corporate governance and the organisation is fully compliant with the following standards, guidelines and recommended memberships.

Memberships and Compliance with Sector-wide Standards

The company complies with the following codes of practice:

- The directors' report and financial statements are presented in a form which complies with the Companies Act 2014, and as far as possible with the New Statement of Recommended Practice (Charities SORP).
- HOPE has fulfilled the recommended guideline actions for a Type C organisation of the Governance Code for community, voluntary and charitable organisations in Ireland and became fully compliant with the Governance Code on 22nd September 2015. We based this review on an assessment of our organisational practice against the recommended actions for each principle. Our review sets out actions and completion dates for any issues that the assessment identifies need to be addressed. HOPE reviews and updates this process on an annual basis.
- Member of Charities Regulatory Authority
- HOPE adopts the principles of the Statement of Guiding Principles for Fundraising launched by the Irish Charities Tax Reform Group (ICTR) and is a member of Charities Ireland (after merging of ICTR and Fundraising Ireland).
- Membership of Dochas and endorsement of the Dochas Code of Images & Messages.
- Membership of The Wheel
- "Irish Development NGOs Code of Corporate Governance" (as produced by the Corporate Governance Association of Ireland, partnered with Dochas).
- The Comhlamh Volunteer Charter and Code of Good Practice for sending Organisations.
- The Consortium for Street Children's Guiding Principles and Credibility Alliance's guiding statements.
- Member of Cork Chamber of Commerce

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Board Committees

There are currently two sub-committees of the Board with their duties outline below. A third sub-committee is in the process of being established.

- Finance and Audit Committee: This committee assists the Board in fulfilling its responsibilities by independently reviewing financial statements. The Committee also reviews internal financial controls and processes. During the financial year 2016 the committee met four times.
- The Remuneration Committee: This committee devises and recommends remuneration policy to the Board for all Hope staff. This committee meets once per year.
- The Nomination Committee: This committee is in the process of being established. It will be tasked with ensuring that the Board and its sub committees has the appropriate skills, knowledge and experience. It will recommend the appointment of new directors when vacancies arise. It will assist directors to understand the responsibilities and expectations of them. The committee will be guided by HOPE's Board Management Governance Manual to provide induction and training to Board members.

Internal Controls

The Directors acknowledge their overall responsibility for the Company's systems of internal control and for reviewing its effectiveness. They have delegated responsibility for implementation of control systems to executive management. The Board has also established a process of compliance which addresses the Board's wider responsibility to maintain, review and report on all internal controls. The key elements of HOPE's internal controls include policies and procedures that have been implemented alongside a Risk Management programme and an audit committee that reports to the Board. There is a formal organisational structure in place with clearly defined lines of responsibility, division of duties and delegation of authority.

Risk Management

The directors are aware of the risks to which the company is exposed, and they are satisfied that appropriate systems are in place to mitigate exposure to those risks.

The major risks, to which The Hope Foundation are exposed, are identified by the management team and reviewed by the Directors as part of the annual risk review process. Appropriate systems and procedures are in place to manage these risks and provide reasonable assurance.

The Board regularly review the processes for identification and assessment of risk under each category. They also ensure that all identified risks are assessed, rated and recorded on the risk register, and examine the process for identifying and rating previously unrecorded, unknown or unanticipated risks.

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Directors' Report

Principal Risks

During the period under review the Directors approved a Risk Statement for the organisation which is now an agenda item at each board meeting and is amended as necessary. The Directors have identified and assessed the following principal risks that could affect the organisation's work.

| Risk | Likelihood ¹ (1-5) | Impact ² (1-5) | Risk Matrix Indicator |
|--|----------------------------------|---------------------------|-----------------------|
| Financial Risks & Funding Instability | 3 | 3 | 9 |
| Operational Risks, Staff Recruitment & Retention | 3 | 3 | 9 |
| Strategic & Governance Risks | 1 | 4 | 4 |
| Fraud, Corruption & Inappropriate Behaviour | 1 | 4 | 4 |
| Compliance and Reputational Issues | 1 | 5 | 5 |
| Child Protection Risks | 1 | 5 | 5 |
| School Immersion Programme Risks | 3 | 4 | 12 |
| Volunteer Programme Risks | 3 | 3 | 9 |
| IT & Systems Risks | 2 | 3 | 6 |
| Data Protection Risks | 1 | 4 | 4 |

| Risk Matrix | Likelihood | | | | |
|-------------------|------------|--------------|--------------|------------|--------------------|
| Impact | Rare (1) | Unlikely (2) | Possible (3) | Likely (4) | Almost Certain (5) |
| Catastrophic (5) | 5 | 10 | 15 | 20 | 25 |
| Major (4) | 4 | 8 | 12 | 16 | 20 |
| Moderate (3) | 3 | 6 | 9 | 12 | 15 |
| Minor (2) | 2 | 4 | 6 | 8 | 10 |
| Insignificant (1) | 1 | 2 | 3 | 4 | 5 |

Mitigating Risks

- 1. Financial Risks & Funding Instability:** The principal financial challenges facing HOPE are in the areas of public and institutional fundraising, cost control and deposit management. HOPE is entirely dependent on the generosity of the public and its donors. The fundraising environment remains very challenging. HOPE continuously works to reduce costs to ensure that it gets the best value for money for its expenditure. HOPE regularly reviews its exposure to mitigate financial risks. HOPE has continued to seek to diversify its income to achieve balance in its revenue sources and to reduce exposure to any single donor. The Charity has financial risk management policies in place as approved by the Board which seek to limit the impact of these risks.

¹ **Likelihood Scale:** 1- Rare 2-Unlikely 3-Possible 4-Likely 5-Almost Certain

² **Impact Scale:** 1-Insignificant 2-Minor 3-Moderate 4-Major 5-Catastrophic

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- 2. Operational Risks, Staff Recruitment & Retention:** HOPE has developed and frequently reviews its human resources policies and procedures to address this risk. HOPE places a high priority on the safety and security of all its staff, partners and programme participants to ensure that all risks are appropriately managed. Compliance with health and safety legislation, fire in office, break-in to office during and after office hours are implemented throughout the organisation. HOPE aims to ensure that it attracts, employs and develops appropriate staff members to ensure the continuity and improvement of our work.
- 3. Strategic & Governance Risks:** The organisation develops strategic plans on a 5 year basis, including contributions of all stakeholders across the organisation and is based on the financial yearly action plans. These plans are reviewed on an annual basis to ensure that all identified targets are being met and to plan for any risks that may arise. HOPE abides by best practice for transparency and accountability by ensuring its compliance and involvement in all relevant national and international organisations and governance codes.
- 4. Fraud, Corruption & Inappropriate Behaviour:** The organisation has developed a detailed financial management and reporting system to mitigate these risks, which are reviewed on a regular basis. A rigorous Code of Conduct for staff is proactively implemented against any inappropriate behaviour.
- 5. Compliance & Reputational Issues:** HOPE recognises that its good reputation is linked to its continued commitment to compliance. This includes its compliance with all regulatory and statutory requirements and also a general commitment to pursue compliance with recognised codes and regulations within the sector. The Board and management regularly check to ensure that all levels of compliance are being adhered to.
- 6. Child Protection:** HOPE has adopted the 'Children First: National Guidance for the Protection and Welfare of Children', published by the Department of Children and Youth Affairs. The Board has facilitated the training and the development and upgrading of child protection for all partners.
- 7. Immersion Programme:** The Board is strengthening partnerships with participating schools and with hosts, delineating roles and responsibilities, and ensuring adequate leadership and supervision. Vaccinations and insurance are arranged beforehand, and appropriate steps are taken to ensure adequate health and safety standards are maintained in all accommodation, travel and daily activities for students and teachers participating on the programme.
- 8. Volunteer Programme:** While all participants are over-18, HOPE has a duty of care to prepare volunteers adequately regarding their health and safety during their time with HOPE Kolkata. Full pre-departure orientation and support is given including health and safety guidelines, and secure accommodation is provided with a live-in, on-call supervisor in place in the field.
- 9. IT & Systems:** The organisation has full back-up facilities for its systems and has a support contract for both hardware and software with independent third parties. For the purposes of data protection and the protection of our network, full anti-virus protection, a firewall and an email spam filtering service (Spam Guardian) are in place. The online security company Realex handles all online donations and purchases made on the HOPE website - no credit card information is obtained or retained by HOPE.

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10. Data Protection: HOPE recognises its responsibility to secure the organisation's data and protect the privacy of organisation's donors. To safeguard the data, HOPE has policies that comply with the laws on privacy and credit card transactions. HOPE has policies to cover: privacy of customer data and code of conduct. A privacy policy outlines how HOPE business collects and stores data, how the information can and cannot be used, and restrictions on sharing data with a third party. Unsolicited commercial emails are illegal, so developed a policy to ensure permission is obtained to send messages to contacts which encourages staff to read and understand organisation's business policies and code of conduct.

REVIEW OF FINANCIAL OUTCOME 2016

Results for the financial year ended 31 March 2016

During 2016 HOPE's income increased significantly. Total income amounted to €2,135,327 and total expenditure was €1,870,818 which resulted in a surplus of €264,509 at the financial year end.

Income:

Total income for 2016 amounted to €2,135,327 – It was an exceptional year, this represents an increase of 39 % from the income level achieved in 2015. This was mainly due to the increase in contributions from corporates, trusts and foundations for the additional capital expenditure and also an increase in the number of participators in Development Education School Trips.

Expenditure:

Total expenditure for the year amounted to €1,870,818, made up as follows;

| | | 2016 € | 2015 € |
|------------------------|------|------------------|------------------|
| Charitable Expenditure | 88 % | 1,631,642 | 1,470,845 |
| Raising Funds | 12 % | 239,176 | 241,823 |
| Total | | 1,870,818 | 1,712,668 |

Charitable activities

Expenditure on charitable activities in 2016 totalled € 1,631,452, a 10% increase from 2015 levels. Most of the increase resulted from additional projects taken on. Also in 2016 Development and Education expenses are recorded as a new category in the Charitable Expenditure. For the details please see note 3 of the financial statements.

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Raising funds

The cost of raising funds totalled €239,176 for the year. The comparative figure was €241,823.

Support Costs

The total costs set out above in relation to charitable activities and raising funds include attributable support costs. These support costs include the key services of programme management, technical support, finance, human resources and information technology. These services play a crucial role in providing core organisational support to the delivery of our programmes.

Reserves Policy

The Charity's policy is to only retain sufficient reserves to safeguard the continuity of its overseas operations, there by committing the maximum possible resources to its current programmes. The Board reviews the level of reserves held periodically.

Movement in the funds is listed in note 14 of the Financial Statements.

Restricted funds

- (i) Restricted funds represent income received that can only be used for particular purposes specified by donors. Such purposes are within the overall aims of the Charity. It is the Charity's policy to transfer such funds for the purposes for which they were donated as quickly as possible.

Unrestricted funds

- (ii) General unrestricted funds are for use at the discretion of the Board in furtherance of the objectives of the Charity.
- (iii) Designated funds represent amounts that Hope Foundation has at its discretion set aside for specific purposes, which would otherwise form part of the general reserves of the Charity. At the end of 2016, funds had been designated for specific purposes as follows:
 - The carrying value of tangible fixed assets for use by the Charity.
 - The net amount the Board has agreed to be set aside to ensure that it can protect its ongoing programme of work from unexpected variances in income.

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OTHER INFORMATION

Staff and volunteers

The directors acknowledge with appreciation the committed work of our management team, our staff and volunteers. Our continued achievements are due to their professionalism and commitment to HOPE. HOPE is an equal opportunities employer and aims to ensure that all people receive equality of opportunity regardless of gender, race, religion, disability, nationality, marital /family status and sexual orientation. HOPE is dependent on a network of volunteers for many of its fundraising and sponsorship activities. Our volunteer coordinators carry out pre-departure orientation training with all our overseas volunteers and provide full pre-departure support in relation to travel arrangements, visas, paperwork etc. Further orientation is carried out on the ground in Kolkata on arrival. Exit reports and feedback sessions are then carried out at the end of volunteer placements with feedback shared between the recruiting staff and the relevant staff in Kolkata.

Events after the Balance Sheet date

No significant events have taken place since the financial year end that would result in adjustment of the financial statements or inclusion of a note thereto.

Related parties, directors and senior managers

In the current financial year, no related party transactions were reported. There were no remuneration or other benefits paid to any director during the financial year. There were no contracts in relation to affairs of the company in which the directors or senior managers had any interest as defined by the Companies Act 2014, at any time during the financial year.

Accounting records

The measures that the directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to keeping of accounting records are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Silverdale Grove, Ballinlough, Cork.

Statement on Relevant Audit Information

In accordance with Section 330 of the Companies Act 2014:

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, Deloitte, Chartered Accountants and Statutory Audit Firm, continues in office in accordance with Section 383(2) of the Companies Act, 2014.

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DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

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.

By order of the Board on 6th December 2016

Marie Kennelly
Director

Jeremy Hayes
Director

THE HOPE FOUNDATION
Year Ended 31 March 2016
Independent Auditor's Report
To the members of The Hope Foundation

We have audited the financial statements of The Hope Foundation for the financial year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes 1 to 19. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

As explained more fully in the Directors' Responsibilities Statement 17, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the financial year ended 31 March 2016 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 March 2016 and of its surplus for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

Continued on next page/

THE HOPE FOUNDATION
Year Ended 31 March 2016
Independent Auditor's Report (continued)
To the members of The Hope Foundation

/Continued from previous page

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion, the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.

Honor Moore
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Cork

Date; 6 December 2016

THE HOPE FOUNDATION

Year Ended 31 March 2016

Statement of Financial Activities (including Income and Expenditure Account) For the Year ended 31 March 2016

| | Notes | Unrestricted Funds € | Restricted Funds € | Total 2016 € | Total 2015 € |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 2 -a | 187,069 | - | 187,069 | 215,387 |
| Charitable activities; | | | | | |
| Grants from government ,trust, foundations and corporates | 2-b | 54,933 | 704,551 | 759,484 | 474,437 |
| Fundraising activities | 2-c | 1,172,372 | - | 1,172,372 | 811,893 |
| Other income | 2-d | 16,402 | - | 16,402 | 26,054 |
| Total income | | 1,430,776 | 704,551 | 2,135,327 | 1,527,771 |
| Expenditure on: | | | | | |
| Charitable activities | 3 | 921,737 | 709,905 | 1,631,642 | 1,470,845 |
| Raising funds | 4 | 239,176 | - | 239,176 | 241,823 |
| Total expenditure | | 1,160,913 | 709,905 | 1,870,818 | 1,712,668 |
| Net income/(deficit) for the year | | 269,863 | (5,354) | 264,509 | (184,897) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 14 | 1,493,059 | 5,354 | 1,498,413 | 1,683,310 |
| Total funds carried forward | 14 | 1,762,922 | - | 1,762,922 | 1,498,413 |

The financial statements are prepared under the Financial Reporting Standard 102 and Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP).

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Statement of Changes in Equity

Separate Statement of Changes in Equity is not required, as there are none other than those reflected in the Statement of Financial Activities (incorporating Income and Expenditure Account).

THE HOPE FOUNDATION

Year Ended 31 March 2016

Balance Sheet

At 31 March 2016

| | Notes | 2016 € | 2016 € | 2015 € | 2015 € |
|---|-------|------------------|------------------|------------------|------------------|
| Fixed assets: | | | | | |
| Tangible assets | 10 | | 128,296 | | 131,026 |
| Total Fixed assets | | | 128,296 | | 131,026 |
| Current assets: | | | | | |
| Debtors | 11 | 24,478 | | 26,055 | |
| Cash at bank and in hand | 12 | 1,651,219 | | 1,392,579 | |
| Total current assets | | 1,675,697 | | 1,418,634 | |
| Creditors: amounts falling due within one financial year | 13 | (41,071) | | (51,247) | |
| Net current assets | | | 1,634,626 | | 1,367,387 |
| Net assets | | | 1,762,922 | | 1,498,413 |
| The funds of the charity: | | | | | |
| Restricted funds | 14 | | - | | 5,354 |
| Unrestricted funds | 14 | | 1,762,922 | | 1,493,059 |
| Charity funds | | | 1,762,922 | | 1,498,413 |

The financial statements are prepared under the Financial Reporting Standard 102 and Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP).

On behalf of the board

Marie Kennelly
Director
Date: 6th December 2016

Jeremy Hayes
Director

THE HOPE FOUNDATION
Year Ended 31 March 2016

Cash Flow Statement
For the Year ended 31 March 2016

| | 2016 | 2015 |
|---|------------------|------------------|
| | € | € |
| Net cash inflow/(outflow) provided by operating activities | A 246,216 | (101,968) |
| Cash flows from investing activities | | |
| Deposit interest received | 16,402 | 26,054 |
| Net cash provided by investing activities | 16,402 | 26,054 |
| Change in cash and cash equivalents in the year | 262,618 | (75,914) |
| Cash and cash equivalents at the beginning of the year | 1,387,766 | 1,463,680 |
| Cash and cash equivalents at the end of the year | 1,650,384 | 1,387,766 |

Reconciliation of Net Income to Net Cash Flows from Operating Activities

| | 2016 | 2015 |
|--|------------------|------------------|
| | € | € |
| Net income for the year: | 264,509 | (184,897) |
| Depreciation | 2,730 | 2,730 |
| Deposit interest earned | (16,402) | (26,054) |
| Decrease in debtors and prepayments | 1,577 | 112,809 |
| Decrease in creditors | (6,198) | (6,556) |
| Net cash provided by (used in)/operating activities | A 246,216 | (101,968) |

THE HOPE FOUNDATION

Year Ended 31 March 2016

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

The financial statements are prepared in Euro which is the functional currency of the company.

Hope Foundation 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 note(s).

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Directors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from donations and legacies:

This income (which consist of monetary donations from public and from corporates, trust and major donors, together with related tax refunds and legacies), is recognised in the period in which the Charity is entitled to the resource, when receipt is probable, and when the amount can be measured with sufficient reliability.

- **Donations and legacies**

Donations and legacies include all income received by the charity that is, in substance, a gift made to it on a voluntary basis.

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.

- **Grants from corporates, trust and major donors.**

Grants from corporates, trust and major donors are recognised on the same basis as grants from governments and other co-founders. This class includes contributions of general nature which are not conditional on delivering certain levels or volumes of a service.

THE HOPE FOUNDATION

Year Ended 31 March 2016

Notes to the Financial Statements

Income from charitable activities:

- **Grants from government and other co-funders**

Income from charitable activities includes income earned from the supply of services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular services to be provided by the charity.

Hope foundation meets the conditions of these grants and sends reports to donors about performance of the projects annually.

Income from government and other co-founders are recognised when the Charity is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreement. In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the Charity is notified of entitlement.

- **Donated commodities**

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Donated services and facilities are included at the value to the charity where this can be quantified.

Income from fundraising activities:

Raising funds includes income earned from fundraising events. The direct cost of third party services provided to the fundraisers and the direct cost of setting up a fundraising event are a large proportion of income raised therefore those costs are deducted from the gross receipts from Fundraisers to reach the net proceeds to the Charity. Net proceeds to the Charity are counted in the Total Income and direct cost of income raising activity is not considered to be an expense of the Charity.

Please see note 2-c

Investment income:

The only investment income is earned from interest on bank deposit accounts. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

d) Expenditure

Expenditure is analysed between costs of charitable activities and costs of raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be measured reliably.

Support costs, which cannot be attributed directly to one activity, are allocated to activities in proportion to staff time spent for each activity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

Costs of charitable activities

Costs of charitable activities comprise costs of overseas programmes and governance costs together with related activity support costs. All costs of charitable activities are recognised on an accruals basis.

Governance costs, represent the salaries, direct expenditure and overhead costs incurred on the strategic, as opposed to day to-day management of the charity and on compliance with constitutional and statutory requirements. Costs related to internal audit and organisational risk management are also included in this category.

Expenditure in the form of grants to Indian partners is recognised as part of the costs of charitable activities.

Costs of raising funds

Costs of raising funds comprise the costs incurred in fundraising, including the costs of advertising, producing publications, printing and mailing fundraising material, staff costs in these areas and an appropriate allocation of fundraising activity support costs. All costs of raising funds are recognised on an accruals basis.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are unrestricted funds of the Charity which the directors have decided at their discretion to set aside to use for a specific purpose. Specifically, Hope sets aside funds to protect its ongoing programmes and activities from unexpected variations in income, to finance fixed assets for on-going use by the charity and to cover planned future deficits.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the charity.

f) Tangible fixed assets

Tangible assets are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold premises: 4 %

g) Foreign Currencies

The financial statements are prepared in euro (€). Transactions in foreign currencies are recorded in euro at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the year-end rate of exchange. The resulting gains and losses are dealt with as expenditure in the statement of financial activities.

h) Taxation

No current or deferred taxation arises as Hope Foundation has been granted charitable exemption by the Revenue Authorities.

i) Debtors

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

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

j) Creditors and provisions

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.

k) 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.

l) Pensions

Hope Foundation makes a Personal Retirement Savings Account (PRSA) scheme available to the charity's employees. Furthermore, Hope facilitates employee's requests for pension deductions to be carried out through the company payroll.

2. Incoming Resources

a) Income from donations and legacies

| | 2016 € | 2015 € |
|---|----------------|----------------|
| Public appeals and events | 43,790 | 51,784 |
| Corporates | 22,897 | 21,190 |
| Donations | 84,695 | 102,186 |
| Legacies | 4,000 | - |
| Revenue Commissioners tax relief | 27,301 | 29,135 |
| Total | 182,683 | 204,295 |
| Sundry income | 4,386 | 11,092 |
| Total income from donations and legacies | 187,069 | 215,387 |

In 2016 and 2015 all income received from donations and legacies was un-restricted.

b) Income from charitable activities: grants from government, trust & foundations, child sponsorship

| | Unrestricted Funds € | Restricted Funds € | Total 2016 € | Total 2015 € |
|--|----------------------------|--------------------------|--------------------|--------------------|
| | | | | c) |
| Trust, groups & foundations | - | 363,635 | 363,635 | 265,416 |
| Corporates | - | 141,775 | 141,775 | 25,575 |
| Child sponsorships | - | 72,417 | 72,417 | 67,204 |
| Total | - | 577,827 | 577,827 | 358,195 |
| Hope Foundation for Street Children-UK | 30,636 | 126,724 | 157,360 | 116,242 |
| Hope Foundation USA | 24,297 | - | 24,297 | - |
| Total | 54,933 | 704,551 | 759,484 | 474,437 |

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

c) Income from raising funds (fundraising activities)

| | Note | 2016 € | 2015 € |
|---|-------------|------------------|----------------|
| Hope managed fundraising events: | | | |
| Gross amount raised by fundraisers | | 1,526,453 | 1,112,369 |
| Direct cost of fundraising events | | (354,081) | (300,476) |
| Net Proceeds to the Charity | SOFA | 1,172,372 | 811,893 |

In 2016 and 2015 all income received from fundraising activities was un-restricted.

d) Other income

| | 2016 € | 2015 € |
|------------------|---------------|---------------|
| Deposit interest | 16,402 | 26,054 |
| Total | 16,402 | 26,054 |

In 2016 and 2015 all income received were un-restricted.

3. Expenditure on charitable activities

| | Note | 2016 € | 2015 € |
|---|------|------------------|------------------|
| Programme: | | | |
| India programmes | | 1,017,447 | 993,270 |
| Regular projects | | 1,017,447 | 993,270 |
| Capital and extra projects and programme monitoring | | 181,031 | 145,816 |
| Total grants for India programmes | | 1,198,478 | 1,139,086 |
| Nepal-Humla Children's Home | | 500 | - |
| Programme support costs | 5 | 342,651 | 319,392 |
| Total costs for overseas programmes | | 1,541,629 | 1,458,478 |
| Development and Education | 5 | 84,612 | - |
| Governance costs | 5 | 5,401 | 12,367 |
| Total expenditure on charitable activities | | 1,631,642 | 1,470,845 |

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

4. Cost of raising funds

| | Note | 2016 € | 2015 € |
|---|------|----------------|----------------|
| Fundraising materials and promotion | | 52,377 | 44,448 |
| Fundraising support cost | 5 | 167,425 | 191,257 |
| Total | | 219,802 | 235,705 |
| Hope USA | | 12,137 | 1,076 |
| Hope Foundation for Street Children(UK) | | 7,237 | 5,042 |
| Total cost of raising funds | | 239,176 | 241,823 |

5. Activity Support Costs

| | Overseas Programmes € | Governance € | Development & Education Programme € | Cost of Raising Funds € | 2016 € | 2015 € |
|---------------------------------|-----------------------------|-----------------|--|-------------------------------|----------------|----------------|
| Office expenses | 14,749 | - | 3,835 | 7,964 | 26,548 | 19,286 |
| Dublin Office | 7,716 | - | 2,006 | 4,167 | 13,889 | 13,471 |
| Wages & Salaries | 231,147 | - | 60,098 | 124,819 | 416,064 | 377,763 |
| Insurance & finance | 5,574 | - | 1,449 | 3,009 | 10,032 | 7,411 |
| Legal and professional | 1,196 | - | 311 | 646 | 2,153 | 13,172 |
| Canteen and sundry | 4,034 | - | 1,049 | 2,179 | 7,262 | 8,246 |
| Premises expenses | 4,062 | - | 1,056 | 2,194 | 7,312 | 7,311 |
| Subscriptions | 2,596 | - | 675 | 1,402 | 4,673 | 7,776 |
| Telephone | 4,456 | - | 1,159 | 2,406 | 8,021 | 10,196 |
| Training | 453 | - | 117 | 245 | 815 | 262 |
| Travel and subsistence | 24,062 | - | 6,256 | 12,993 | 43,311 | 41,076 |
| Total | 300,045 | - | 78,011 | 162,024 | 540,080 | 505,970 |
| Mng. & Admin. (Note 6) | 42,606 | 5,401 | 6,601 | 5,401 | 60,009 | 47,074 |
| 2016 Total support costs | 342,651 | 5,401 | 84,612 | 167,425 | 600,089 | 553,044 |
| Notes; | 3 | 3 | 3 | 4 | | |

Shared costs which contribute directly to more than one activity are apportioned between those activities (for example the cost of a staff member whose time is divided between a fundraising activity and working on a charitable project). These costs are apportioned between the relevant activities based on the amount of staff time which each activity absorbs.

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

6. Management and Administration:

| | 2016 | 2015 |
|------------------------|---------------|---------------|
| | € | € |
| Office expenses | 2,950 | 1,794 |
| Dublin Office | 1,543 | 1,253 |
| Wages & Salaries | 46,229 | 35,147 |
| Insurance & finance | 1,115 | 689 |
| Legal and professional | 239 | 1,225 |
| Canteen and sundry | 807 | 767 |
| Premises expenses | 813 | 680 |
| Subscriptions | 519 | 724 |
| Telephone | 891 | 949 |
| Training | 91 | 24 |
| Travel and subsistence | 4,812 | 3,822 |
| Total | 60,009 | 47,074 |

Analysed as follows:

| | | 2016 | 2015 |
|-------------------------------------|---|---------------|---------------|
| | | € | € |
| Overseas Programmes | 5 | 42,606 | 33,424 |
| Development and Education Programme | 5 | 6,601 | 5,178 |
| Governance | 5 | 5,401 | 4,236 |
| Raising funds | 5 | 5,401 | 4,236 |
| Total | | 60,009 | 47,074 |

Administration and Management Support costs which are not attributable to a single activity is also apportioned between the activities being supported. These costs are apportioned between the relevant activities based on the amount of staff time which each activity absorbs.

7. Other information

| | 2016 | 2015 |
|--|------|------|
| | € | € |

The net income for the year is stated after charging the following items;

| | | |
|---------------------------------------|-------|-------|
| Depreciation of tangible fixed assets | 2,730 | 2,730 |
|---------------------------------------|-------|-------|

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

8. Taxation

There is no charge to taxation as the Charity has been granted charitable exemption by the Revenue Authorities.

9. Staff costs, Director Remuneration and expenses

The charity directors were not paid and did not receive any other benefits from employment, neither were they reimbursed expenses during the financial year. No charity director received payment for professional or other services supplied to the charity.

Costs of Management and support staff:

| | 2016 € | 2015 € |
|--------------------|----------------|----------------|
| Wages and salaries | 423,350 | 379,429 |
| Employer's PRSI | 38,943 | 33,481 |
| Total | 462,293 | 412,910 |

Average number of management and support staff:

| | 2016 | 2015 |
|------------------------------|------|------|
| Management and support staff | 14 | 14 |

No employees had employee benefits other than normal salary. There were no employees whose remuneration was greater than € 40,000.

The remuneration of key management amounts to €32,885 (2015: €31,867).

Employee remuneration has been agreed by the HOPE Remuneration Committee. The Committee ensures that Hope will be competitive with its peers in each of the activities it operates.

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

10. Tangible assets

| | 2016 | 2015 |
|--|----------------|----------------|
| | € | € |
| Cost: | | |
| At beginning of year | 136,485 | 136,485 |
| Additions in year | - | - |
| At end of year | 136,485 | 136,485 |
| Depreciation and impairment provisions: | | |
| At beginning of year | 5,459 | 2,729 |
| Depreciation charge for the year | 2,730 | 2,730 |
| At end of year | 8,189 | 5,459 |
| Net book value: | | |
| At end of year | 128,296 | 131,026 |

The only tangible asset was the Freehold Property.

11. Debtors and prepayments

| | 2016 | 2015 |
|-----------------------------|---------------|---------------|
| | € | € |
| Debtors | 18,133 | 25,631 |
| Deposit interest receivable | 6,345 | 424 |
| Total | 24,478 | 26,055 |

All amounts included within debtors and prepayments fall due within one financial year.

12. Cash at Bank and in Hand

| | 2016 | 2015 |
|--------------------------|-----------|-----------|
| | € | € |
| Cash at bank and in hand | 1,651,219 | 1,392,579 |

All funds are held with banks that have a satisfactory credit rating as approved by the Board. Cash holdings which are not immediately required for operations are invested in short and medium term interest bearing deposits which are maintained with financial institutions that have a satisfactory credit rating as approved by the Board. There are no material differences between the fair value of these deposits and their carrying value owing to their short term duration. The risk arising from the concentration of investments is reduced by limits on amounts held with individual banks or institutions at any one time.

13. Creditors: amounts falling due within one financial year

| | 2016 | 2015 |
|--|---------------|---------------|
| | € | € |
| Bank loans and overdrafts | 835 | 4,813 |
| Creditors and accruals | 10,701 | 13,851 |
| PAYE/PRSI | 25,196 | 26,473 |
| Deferred interest on fixed term deposit accounts | 4,339 | 6,110 |
| Total | 41,071 | 51,247 |

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

14. Funds

a) Reconciliation of funds:

| | Unrestricted Funds € | Restricted Funds € | Total 2016 € | Total 2015 € |
|-------------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Total fund at the beginning of year | 1,493,059 | 5,354 | 1,498,413 | 1,683,310 |
| Net income /(deficit) for the year | 269,863 | (5,354) | 264,509 | (184,897) |
| Funds at the end of year | 1,762,922 | - | 1,762,922 | 1,498,413 |

b) Movements in funds:

| | Opening Balance € | Income € | Expenditure € | Closing Balance € |
|----------------------------------|-------------------------|------------------|------------------|-------------------------|
| Restricted funds | 5,354 | 704,551 | 709,905 | - |
| Unrestricted funds: | | | | |
| General funds | 293,059 | 1,430,776 | 1,158,183 | 565,652 |
| Designated Funds: | | | | |
| Tangible fixed assets | 131,026 | - | 2,730 | 128,296 |
| Programme continuity fund | 1,068,974 | - | - | 1,068,974 |
| Total un-restricted funds | 1,493,059 | 1,430,776 | 1,160,913 | 1,762,922 |
| Total funds | 1,498,413 | 2,135,327 | 1,870,818 | 1,762,922 |

c) Analysis of net assets between funds:

| | Restricted Funds € | Unrestricted Funds € | Total 2016 € |
|---|--------------------------|----------------------------|--------------------|
| Fund balances at 31 March 2016 are represented by: | | | |
| Tangible fixed assets | - | 128,296 | 128,296 |
| Current assets | - | 1,675,697 | 1,675,697 |
| Current liabilities | - | (41,071) | (41,071) |
| Total | - | 1,762,922 | 1,762,922 |

THE HOPE FOUNDATION
Year Ended 31 March 2016
Notes to the Financial Statements

15. Transition note to FRS 102 and the charities SORP

These are the Charity's first financial statements prepared in accordance with FRS 102 and the new Charities SORP. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2016 and the comparative information presented in these financial statements for the year ended 31 March 2015. The following represents the accounting policy changes arising from the Company's transition to FRS 102 and the Charities SORP:

a. Impact of transition to FRS 102 and Charities SORP on the 2015 Statement of Financial Activities:

| | | 2015 As previously reported € | Effects of transition € | 2015 As restated € |
|------------------------------|---|--|-------------------------------|--------------------------|
| Income: | | | | |
| Donations and legacies | 1 | 444,349 | (228,962) | 215,387 |
| Charitable activities | 1 | 164,538 | 309,899 | 474,437 |
| Fundraising activities | 1 | 892,830 | (80,937) | 811,893 |
| Other income | | 26,054 | - | 26,054 |
| Total income | | 1,527,771 | - | 1,527,771 |
| Expenditure: | | | | |
| Raising Funds | 2 | 197,375 | 44,448 | 241,823 |
| Expenses on voluntary income | 2 | 44,448 | (44,448) | - |
| Charitable activities | 3 | 1,458,478 | 12,367 | 1,470,845 |
| Governance costs | 3 | 12,367 | (12,367) | - |
| Total expenditure | | 1,712,668 | - | 1,712,668 |

(1) Classification of Income under donations, charitable activities and fundraising activities

All the income items are re-classified according to new SORP definitions as included in accounting policies. Some items previously recorded under Donations and Fundraising income are re-classified as charitable income as they were performance related grants and donations.

(2) Classification of Raising Funds

Under the provisions of the Charities SORP, expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the cost of all fundraising activities and expenditure incurred in seeking donations, grants and legacies. Expenditure on voluntary income previously separately disclosed in the statement of financial activities, now, must be disclosed within the expenditure on raising funds.

(3) Governance costs

Under the provisions of the Charities SORP, governance costs were previously separately disclosed in the statement of financial activities. The Charities SORP now prescribes that such costs must be disclosed within charitable activities.

Overall there is no net impact of transition to FRS 102 and Charities SORP on the 2015 Total income and the Total expenditure.

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b. Impact of transition to FRS 102 and Charities SORP on the 2015 Balance Sheet:

There is no impact of transition to FRS 102 and Charities SORP on the 2015 Balance Sheet.

16. Legal Status of Company

In accordance with Section 1180 of the Companies Act, 2014, the Company is exempt from including the word 'limited' in its name. The Company is limited by guarantee and has no share capital. At 31 March 2016, there were 15 Directors/ members (2015: 6), whose guarantee is limited to €2 each. This guarantee continues for one year after individual membership ceases.

17. Related party transactions

No directors or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the financial year. There was no compensation and expenses paid to directors. No other related party disclosures are required.

18. Post-balance sheet events

There have been no events subsequent to the financial year-end that require any adjustment to, or additional disclosure in, the 2016 financial statements.

19. Approval of financial statements

The directors approved and authorised the financial statements for issue on the 6 th December 2016