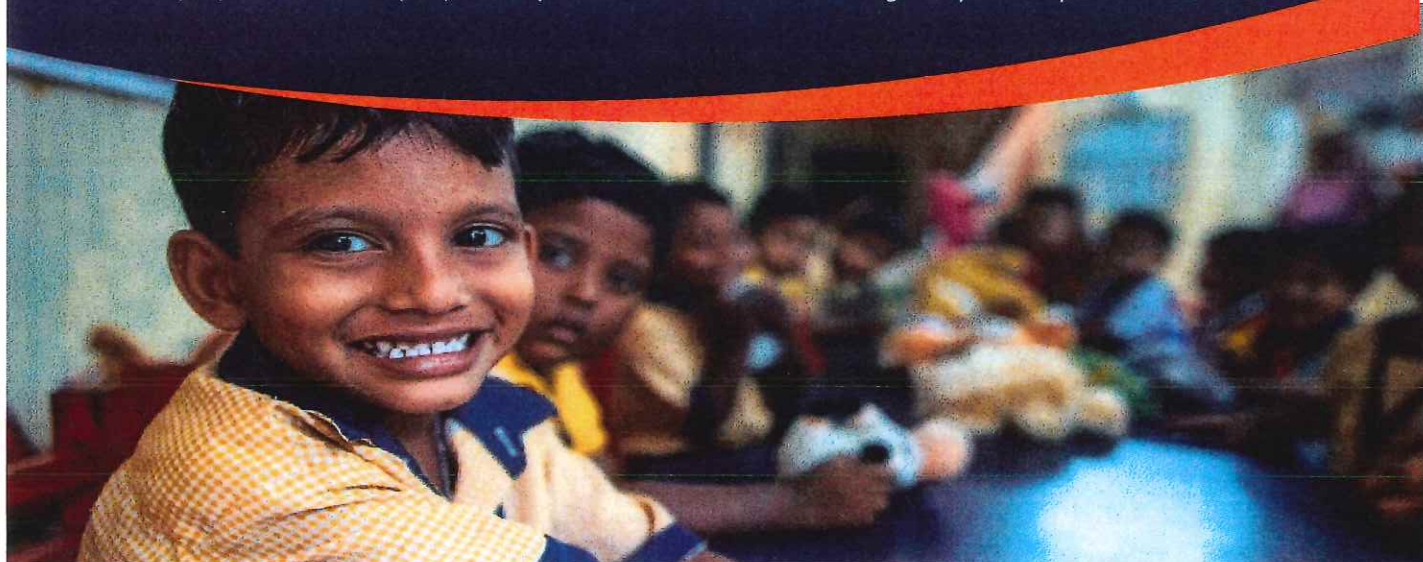


Directors' Report & Financial Statements
Financial year ended 31 March 2019

Silverdale Grove • Ballinlough • Cork • Ireland

Telephone: 00 353 21 4292990 • Website: www.hopefoundation.ie

Company Number: 303111(Eire) • Charity Number CHY 13237 • Charities Regulatory Authority Number: 20040710



REFERENCE AND ADMINISTRATIVE INFORMATION

BOARD OF DIRECTORS		
Dr. Dermot O'Mahoney (Chairman)	Frank O'Connell (Resigned 28.08.2019)	Dr. Mary O'Shaughnessy
Madeline Cummins	Dr. Mick Molloy	Maureen Forrest (Hon. Director)
Rosemary McHugh (Resigned 23.05.2019)	Jenny Browne	Graham Healy
Michael Murphy	Anthony Norman Childs	Mairead Sorensen (Resigned 27.05.2018)
Marie Kennelly (Resigned 26.04.2018)	Rosie Stroud (Resigned 27.05.2018)	

Secretary	Maura Lennon
Company Number	303111
Charity Number	CHY 13237
Charities Regulatory Authority No.	20040710
Registered Office	Silverdale Grove, Ballinlough, Cork
Auditors	Deloitte Ireland LLP, Chartered Accountants & Statutory Audit Firm, No. 6 Lapp's Quay, Cork.
Bankers	<ul style="list-style-type: none"> Allied Irish Bank, 66 South Mall, Cork. Permanent tsb, 40/41 Patrick Street, Cork. KBC, Sandwith Street, Dublin 2.
Pro-bono Solicitors	<ul style="list-style-type: none"> Daly Derham Donnelly, 1/A Washington Street, Cork

Table of Contents

Message from the Chairman	3
Directors' Report	4-16
Directors' Responsibilities Statement	17
Independent Auditor's report	18-20
Statement of Financial Activities (SOFA)	21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Financial Statements	24-36

MESSAGE FROM CHAIRMAN

As I introduce The Hope Foundation's 2018-2019 financial report, I would like to thank and pay special 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. HOPE remain deeply committed to ensuring transparency, full donor accountability and ensuring the standards of care to each of our projects is kept as high as possible. We regard our Foundation not as just a charity but as an organisation that wants to ensure that children and communities have access to sustainable supports so that they can break free from the cycle of poverty – HOPE believes in giving a hand up, not a handout.



We constantly strive to ensure that our work is at the highest standards and we are delighted to have the Guidestar award for Transparency in India and Triple Locked status from the Charities Institute of Ireland, as well as adhering to all standards of best practice in governance and accountability.

Over the past year, HOPE has continued its support for our projects in India and ensured that they continue to provide the highest standards of care to their beneficiaries while aligning with the United Nations Sustainable Development Goals and being driven by HOPE's 5-year Strategic Plan. HOPE works to help provide sustainable pathways out of poverty by operating over 60 projects in West Bengal in the areas of Education, Protection, Healthcare, Vocational Training and Capacity Building.

During 2018-2019, HOPE undertook a major capital investment project and have recently finished an extension to two floors of our HOPE Hospital in Kolkata to help provide more medical support to below-poverty-line individuals and communities. The Ground floor of the new hospital extension now houses further Diagnostic facilities with a CT Scan Room, Pathology department, and an Endoscopy & Colonoscopy room. The Third floor extension has a new General Operation Theatre, an Eye Surgery Theatre, and a separate Day Care Operation Theatre for minor operations. Since it began in 2008, the hospital has provided care to over 111,000 people and we are delighted to have finished this major extension to be able to increase the level of support that our hospital can give to those who need it.

In Ireland, secondary school students who participate on HOPE's School Immersion Programme are provided with an increased understanding of the world we live in. Along with a comprehensive curriculum in Ireland, 370 students and teachers, this year, had the opportunity to travel to Kolkata and learn about the projects they have supported and witness first-hand how local efforts can lead to global change.

All our work could not have been done without the wonderful generosity and loyal support of our donors, volunteers and staff in Ireland, India, the UK and the USA. As we look forward to another year, I wish to express our deepest thanks and gratitude for your ongoing support for our work.

Best wishes,

A handwritten signature in black ink, appearing to read 'Dermot O' Mahoney', written in a cursive style.

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

DIRECTORS REPORT

VISION, MISSION AND OBJECTIVES

The Directors present their report and the audited financial statements for the financial year ended 31 March 2019.

Our Story

The Hope Foundation (HOPE) was established in 1999, to provide protection and safety to 20 girls in Kolkata (Calcutta) India, who were forced to survive on the streets, alone and vulnerable as young teenagers. HOPE provides permanent and sustainable pathways out of poverty through the delivery of education, healthcare, protection, nutrition and income generation in a holistic approach. HOPE works with Kolkata's forgotten children, those who have been victims of trafficking, violence, abandonment, prostitution, sexual abuse and severe neglect. Working with such vulnerable children and their wider families and communities, HOPE operates projects that work to empower individuals and communities to build a brighter future for themselves and their future generations.

HOPE currently operates 11 Child Protection Homes, a Child Watch Programme, a Community Development Programme and an Anti-Trafficking Programme under our Protection Programmes. We have our own HOPE Hospital, a Blindness Eradication Programme, Night Round Mobile Medical Unit and Emergency Response Unit, and also work in collaboration with the Government to implement the Early Childhood Care and Education Programme under our Healthcare Programmes. Under our Education Programmes, HOPE operates 4 crèches for slum children, 7 Nabo Asha education programmes for street connected children and a Holistic Education Programme that works with Government Schools and Government Resource Rooms. To support income generation and Vocational Training Programmes, HOPE established the Lifeskills Vocational Training Institute and Socio-Economic Empowerment Project for Rescued Trafficked Victims to provide courses that will help individuals provide a safe and sustainable future for themselves.

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 company's CRO registration number is 303111. It was granted charitable status by the Revenue Commissioners, CHY 13237 and is registered with the Charities Regulatory Authority CRA 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'. Restoring childhoods to children and sustainability to individuals and communities.

Mission Statement

To improve the quality of life for the most marginalised street and slum connected children and communities, primarily in India. Ensuring their basic rights and enhancing their dignity of life, through

protection, health, education and economic development in a sustainable life cycle approach. Achieving this mission through fundraising activities and initiatives.

Objectives and purpose

The main objectives of the organisation 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.

Our Values

- **Accountability:**
We are accountable. We believe in transparency and in making ourselves accountable to all of our donors, supporters and beneficiaries. We are committed to the highest standards of governance and best practice in all areas of our work.
- **Collaboration:**
We collaborate. Communities are at the heart of our work, we believe in building and fostering partnerships at different levels at home and abroad, in order to leverage local, regional and global strength for sustainable development.
- **Equality:**
We treat one another equally. We are committed to promoting equality by removing barriers that stop full participation of every individual, group or community in public or political life. We believe in and promote inclusivity and diversity inside and outside of our workplace.
- **Innovation:**
We are innovative. We believe in the power of great ideas. We are always open to accepting and developing new and creative ideas, which will enhance systematic change for sustainable solutions.
- **Integrity:**
We have integrity. We aspire to the highest standards of honesty and encourage critical thinking for further development. We never compromise on quality and act in the best interests of those with whom we work with.
- **Respect:**
We are respectful. We respect the people we work for and on behalf of, we respect ourselves, we respect our colleagues and our community. We have fostered an organisation that enables and encourages respect.

Strategic & Future Planning

HOPE's 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 in each of its project areas in Kolkata. It also outlines HOPE's projected growth in Ireland and internationally and its predicted fundraising targets to achieve growth. A copy of the strategic plan is available on The Hope Foundation's website www.hopefoundation.ie.

The Hope Foundation's Strategic Plan Goals 2016-2021:

Strategic Goals

1. Improve the healthcare status of underprivileged and/or marginalised communities, with particular attention to maternal health, child mortality and combating RTI/STI and HIV/AIDS.
2. Improve learning outcomes and educational attainment of children and raising the quality of learning environments in formal schools.
3. Provide home-based and family-based care and protection for children to combat child labour, abuse, exploitation and deprivation.
4. Empower marginalised youth and women to increase their skill capacity to secure sustainable livelihoods.

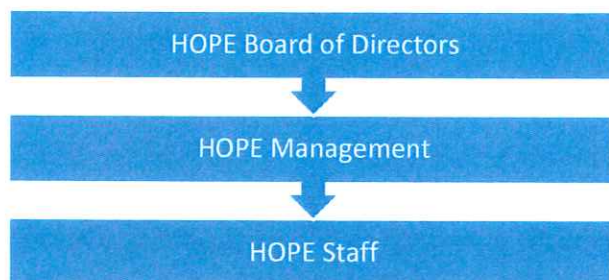
Organisational Goals

1. Be a voice for children through the implementation of an all-encompassing family and community approach to development.
2. Improve management effectiveness and accountability within the organisation.
3. Increase fundraising initiatives in India, Ireland, the UK, Germany and the USA for organisational stability and sustainability.
4. Increase volunteer and stakeholder engagement.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Directors and Governance

Organisational Structure



HOPE is governed by a Board of Directors who are non-executive, except for the Honorary Director. The responsibility of the Board includes setting the organisation’s strategic aims, major decisions on formal matters, providing leadership to put these aims into effect, supervising management and reporting to stakeholders. The Honorary Director liaises with HOPE’s management and is responsible for implementing strategy and policy decisions delegated to her by the Board. The Memorandum and Articles of Association, most recently amended in 2016, represent the founding governance document of the Hope Foundation.

Composition of the Board

Board Member	Attendance at Board Meetings			
	May	June	September	December
Dr. Dermot O’Mahoney (Chairman)	Yes	Yes	Yes	Yes
Maureen Forrest (Honorary Director)	Yes	Yes	Yes	Yes
Rosemary McHugh (Resigned 23.05.2019)	Yes	Yes	Yes	Yes
Frank O’Connell (Resigned 28.08.2019)	Yes	Yes	Yes	Yes
Graham Healy	Yes	No	Yes	No
Mick Molloy	No	No	No	No
Dr. Mary O’Shaughnessy	No	Yes	Yes	Yes
Jenny Browne	Yes	Yes	Yes	Yes
Michael Murphy	Yes	Yes	Yes	Yes
Anthony Norman Childs	Yes	Yes	Yes	Yes
Madeleine Cummins	Yes	Yes	No	Yes

The following directors resigned during the year and did not attend any of the above board meetings: Marie Kennelly (RIP) (resigned on 26 April 2018), Mairead Sorensen (resigned on 27 May 2018) and Rosie Stroud (resigned 25 May 2018). Madeleine Cummins resigned as secretary on 25 May 2018)

HOPE has published the professional biographies and experience of its Board Members on its website at: www.hopefoundation.ie/governance/

The Board meets four times each year and delegates the day-to-day operation of the organisation to the management and staff of The Hope Foundation. 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 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.

Board Appointments

The Board reviews its own performance on an annual basis. The Board regularly reviews the necessary blend of skills and experience on the board and reviews and updates its risk register on a yearly basis. A Nomination Committee was established to oversee the recruitment of new Board Members based on the Boards requirements for expertise.

Board Remuneration and Pay Policy

Board members do not receive any remuneration in respect of their voluntary services to the charity. There were no claimed expenses or other payments made to Board Members in 2018-2019. Our founder and Honorary Director / (CEO) Maureen Forrest carries out her role in a voluntary capacity and does not receive a salary.

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.

Memberships and Compliance with Sector-wide Standards

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:

- 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 is a fully compliant Type C organization of Governance Code for community, voluntary and charitable organisations in Ireland.
- HOPE has been awarded Triple Locked status by the Charities Institute Ireland for its accounting, transparency and governance practices.
- HOPE is a signatory of the Dochas Code of Images & Messages.
- Irish Development NGOs Code of Corporate Governance (as produced by the Corporate Governance Association of Ireland, partnered with Dochas).
- ICTR Statement of Guiding Principles for Fundraising launched by the Irish Charities Tax Reform Group.
- 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.
- The Charities Act 2009

The company has a membership with the following organisations:

- Charities Regulatory Authority
- Charities Institute Ireland
- Dochas
- The Wheel
- The Comhlamh
- Cork Chamber of Commerce
- Limerick Chamber of Commerce
- Network Cork
- Consortium for Street Children

Partnership with other Organisations

HOPE works 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.

Board Committees

There are currently three sub-committees of the Board with their duties outlined below. All committees have terms of references which are reviewed and approved by the Board.

Committee	Members and Attendance
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. The committee met three times this year.	Rose McHugh – 3/3 Madeleine Cummins – 2/3 Serdar Suer -3/3 Michael Murphy – 3/3
The Remuneration Committee: This committee devises and recommends remuneration policy to the Board for all HOPE staff. This committee meets once per year.	Maureen Forrest – 1/1 Dermot O'Mahony – 1/1 Rose McHugh – 1/1

<p>The Nomination Committee:</p> <p>This committee is tasked with ensuring that the Board and its sub committees has the appropriate skills, knowledge and experience. It recommends the appointment of new directors when vacancies arise. It assists directors to understand the responsibilities and expectations of them. The committee is guided by HOPE's Board Management Governance Manual to provide induction and training to Board members.</p>	<p>Maureen Forrest – 1/1 Dermot O'Mahony – 1/1 Rose McHugh – 1/1</p>
---	--

Risk Management and 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.

In order to implement HOPE's strategy, and to keep it updated to reflect current circumstances, HOPE maintains and updates a Risk Management Policy. The Board ensures that all identified risks are assessed, rated and recorded on a risk register, and examine the process for identifying and rating previously unrecorded, unknown or unanticipated risks. The board reviews the Risk programme annually.

Risks to Charity and Mitigating Actions

1. Financial Risks:

Credit risk: Credit risk is the risk that the financial institutions in which deposits are held default on the cash deposited and the risk that debtors may default on their obligations.

- HOPE holds its deposits in accounts across a number of financial institutions.
- Finance staff and management monitor the credit ratings of these financial institutions regularly and appropriate action is taken based on HOPE's investment policy. A satisfactory rating is deemed to be a long term credit rating of at least A3 and a short term credit rating of at least P2 with Moody's Ratings of financial institutions, unless otherwise specifically approved.

Foreign exchange risk: HOPE's operational work in West Bengal means that its funds are exchanged into Rupees while all income received in Ireland is in Euros. A strengthening of the Rupees against the Euro could have an adverse effect on HOPE's ability to deliver its planned programme of work.

- The currency risk is monitored and managed on an ongoing basis.

Liquidity risk: Liquidity risk is the risk that HOPE will be unable to meet financial commitments arising from the cash flows generated by its activities. The risk can arise from mismatches in the timing of cash flows relating to assets and liabilities.

- HOPE's liquidity is managed by ensuring that sufficient cash and deposits are held on short notice, and by retaining sufficient reserves to cover short-term fluctuations in income in order to ensure that the charity stays sustainable.

2. Funding Instability and cost control:

HOPE is dependent upon the goodwill of the public and donors for its income. The fundraising environment in Ireland remains very challenging. A combination of increased competition for public funds and pressure on Government finances means HOPE needs to identify and develop new sources of income in order to reduce the risk of significant income fluctuations.

Mitigating Strategies:

- HOPE continuously works to reduce costs to ensure value for money for its expenditure.
- HOPE continues to diversify its income and to reduce exposure to any single donor.
- HOPE reviews its financial risk management policies regularly.
- The company's annual accounts are independently audited annually.
- HOPE operates within board approved budget targets.

3. Staff Risks Mitigating Strategies:

- HOPE continues to efficiently implement its Human Resource and Health & Safety Policies.
- It places a high priority on the safety and security of all its staff, partners and programme participants and has security management policies in place.
- It employs and develops appropriately skilled staff to ensure the continuity and improvement of its work.
- It empowers its staff through upskilling, relevant training and capacity building.

4. Strategic and Governance Mitigating Strategies:

- The organisation works within the goals set in its 5-year strategic plan 2016-2021
- It complies with all relevant national and international organisations and governance codes in a transparent and accountable manner.

5. Fraud & Inappropriate Behaviour Mitigating Strategies:

- The organisation has developed a detailed Fraud Policy, which is reviewed on a regular basis.
- A rigorous Code of Conduct for staff is proactively implemented against any inappropriate behaviour.

6. Child Protection Mitigating Strategies:

- 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.
- HOPE has appointed a qualified Designated Liaison Person to ensure the implementation of HOPE's Child Protection Policy.
- Key HOPE staff and volunteers who engage with children and vulnerable adults must also go through a rigorous Garda Vetting process.
- All staff are given training on Child Protection Policies.

7. Immersion Programme Mitigating Strategies:

- HOPE has a robust and comprehensive risk register for the Schools Programme.
- All students, teachers and guardians receive pre-departure training before travel, and have dedicated local and experienced HOPE staff with them at all times during their trip to India.
- 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.
- HOPE is strengthening partnerships with participating schools and with hosts, outlining roles and responsibilities, to ensure that there is adequate leadership and supervision

8. Volunteer Programme Mitigating Strategies:

- Full pre-departure orientation and support is provided to all volunteers; including health and safety guidelines, prior to and upon landing in Kolkata.
- Secure accommodation is provided with a live-in, on-call supervisor in place in the field.
- Two staff members in India have dedicated roles to HOPE's international volunteers and are available 24 hours a day to provide any essential support.
- Local staff track and monitor security in Kolkata regularly.
- HOPE volunteers must sign safety, confidentiality and HOPE's Code of Conduct before departure, ensuring the health and safety of all volunteers during their time in Kolkata.
- HOPE volunteers have full access to healthcare and medical services in Kolkata through the organisations hospital, which includes counselling services.
- HOPE volunteers are collected from and returned to the airport when arriving and departing the city.
- All procedures of the Comhlámh Code for Volunteer Sending Organisations are followed.
- HOPE volunteers must provide travel insurance prior to departure to Kolkata.

9. IT Systems & Data Protection Mitigating Strategies:

- HOPE has full back-up facilities for its systems and has a support contract for both hardware and software with an independent third party.
- For the purposes of data protection and the protection of our network, full anti-virus protection, firewall and email spam filtering service (Office 365) is in place.
- It has implemented encryption safeguard for its IT systems. All laptops and file servers are encrypted and all desktops are in the process of being encrypted.
- Realex, an online security company handles all online donations and purchases made on the HOPE website - no credit card information is obtained or retained by HOPE.
- To safeguard the data, HOPE has policies that comply with the laws on privacy and credit card transactions.
- HOPE has a data protection policy and appointed a Data Protection Officer to cover privacy of customer data and codes 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.
- In order to ensure that no unsolicited commercial emails are sent to the public, access permission is required through its database to send messages to contacts, donors and supporters, which prevents unsolicited commercial mails being sent to the public

Overall, the Directors are satisfied that there are adequate and robust policies, procedures and systems in place to monitor and mitigate any potential risks or exposure to risks to The Hope Foundation.

REVIEW OF FINANCIAL OUTCOME 2019

The results for the year are presented on page 21 in the Statement of Financial Activities.

The €70,553 surplus achieved during the year was driven by income and this was a great success considering the 9% increase on Charitable Expenditure.

Income:

HOPE income, excluding Capital Projects, for the year to 31 March 2019 was €2,342,106, an increase of 6% on the previous financial year. This increase was primarily in our fundraising activities and from grants from other co-funders. Overall the results represent a success when considering securing income continued to be challenging and is a validation of our supporters’ faith in HOPE.

Incoming resources from donations and legacies

Income from donations and legacies comprises donations from individual and corporate donors, regular givers and tax refunds from the Revenue Commissioners. In FY19 we received €189,311 from these income streams (see note 3-a to the Financial Statements). This represents a decrease of 24% when compared to FY18, and this is mainly due to the continued decline in donations. This income stream is in decline across the Ireland, and work on revitalizing donations is one of our challenges.

Income from charitable activities; grants from governments and other co-funders

In FY19 (see note 3b to the Financial Statements) HOPE received a total of €982,668 in charitable activities from Child sponsorships, and other co-funders such as Trust, Corporates and HOPE International Fundraising organisations. This represents an 19% increase from our FY18 levels. The company also received income from trusts and donations to assist the building of an extension to a hospital in Kolkata, India. This income totalled €265,438 and was expended in full during the financial year.

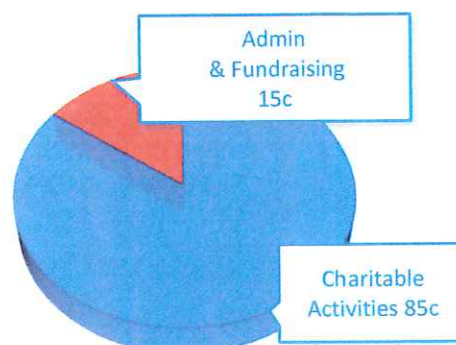
Fundraising Income

In FY19 (see note 3-d to the Financial Statements) HOPE received a total of €1,162,079 net from fundraising activities such as; Sporting activities, Lunches, Dinner, Trips and Walks. This represents a 3% increase from our FY18 levels.

Expenditure:

Utilisation of donations

On average, HOPE puts 85 cents of every €1 donated towards its charitable work and 15 cent goes on, administration and fundraising costs



The statement of financial activities (SOFA) reports expenditure on an activity basis to show how the charity has used its resources to further its charitable objectives. The charities activities are overseas projects, and development education programmes. The cost of raising funds is shown separately.

Total expenditure, at €2,271,553, represents a 7% increase from the FY18 level of €2,117,867.

Charitable activities

Expenditure on charitable activities in FY19 totalled €2,006,198, a 9% increase from FY18 levels (see note 4 to the financial statements for details). Charitable expenses are in accordance with our commitments as part of HOPE's five-year strategic plan (2016-21).

Raising funds

The total fundraising income was €1,162,079 and 23% was used in raising funds (In 2018 24.6 %).

The cost of raising funds totalled €265,355 in FY19, a 5% decrease from FY18 levels. This decrease is primarily due to reduced support to our fundraising partners (see note 5 to the financial statements for details).

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:

Reserves Policy

The Hope Foundation's policy is to retain both restricted and unrestricted funds to safeguard the continuity of its overseas operations, thereby committing the maximum possible resources to its current programmes. The Board fixed a minimum target level of reserves of €1 million six years ago and have retained this amount since then to fund one year of overseas project operations and review this level on an annual basis.

HOPE's definition of restricted and unrestricted funds are as follows:

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

- (i) General unrestricted funds are for use at the discretion of the Board in furtherance of the objectives of the Charity.
- (ii) 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. The 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.

At the end of the financial year, HOPE's total funds were €1,754,376 (2018: €1,683,823), of which €176,003 were restricted funds and €1,578,373 were unrestricted funds.

In the unrestricted funds, €120,106 (2018: €122,836) relates to carrying value of tangible fixed assets, which is not available for distribution. €1,068,974 (2018: €1,068,974) was designated to one year's programme continuity funds and €389,293 (2018: €320,162) were kept as general funds for the furtherance of the objectives of the Charity and to guard against possible disruptions due to funding fluctuations. For the detailed movements in reserves, please see Note 15 of the financial statements.

Going concern

The Board believes that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties that call into doubt HOPE's ability to continue in operation. Accordingly, HOPE continues to adopt the going concern basis in preparing the financial statements.

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. In 2018, HOPE employed 17 staff members across roles in fundraising, administration and overseas support. HOPE lists its current staff members and their roles on its website at; www.hopefoundation.ie/about-hope.

HOPE is dependent on a network of volunteers for many of its fundraising and sponsorship activities. Our 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. In 2019, HOPE had 35 overseas volunteers in Kolkata.

Events after the Balance Sheet date

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

Lobbying and Political Contributions

There were no political contributions in 2018-2019, and as a result no disclosures are required under the Electoral Act, 1997.

Future developments

In 2019 The Hope Foundation plans to continue with its Strategic Plan 2016-2021 and aims to achieve its fundraising targets set for that year and to work towards its project goals set under operational areas in Kolkata and West Bengal.

Related parties, directors and senior managers

In the current financial year, no related party transactions were reported. There was 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:

- (a) 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
- (b) 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 Ireland LLP, Chartered Accountants and Statutory Audit Firm, continues in office in accordance with Section 383(2) of the Companies Act, 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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 issued by the Financial Reporting Council ("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

15th Dec 2019



Maureen Forrest
Director



Dermot O'Mahoney
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HOPE FOUNDATION

Report on the audit of the financial statements

Opinion on the financial statements of The Hope Foundation (the 'company')

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 2019 and of the surplus for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Activities;
- the Balance Sheet;
- the Cash Flow Statement; and
- the related notes 1 to 19, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Continued on next page/

/Continued from previous page

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE HOPE FOUNDATION**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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, and for such internal control as the directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Continued on next page/

/Continued from previous page

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HOPE FOUNDATION

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.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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



John Kelly
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
No. 6 Lapp's Quay
Cork

Date: 27 January 2020

Statement of Financial Activities (including Income and Expenditure Account)

For the Financial year ended 31 March 2019

Notes	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
€	€	€	€	€
Income From;				
Donations and legacies 3-a	189,311	-	189,311	248,718
Charitable activities; Grants from government, trust foundations and corporates 3-b	5,307	977,361	982,668	827,227
Contributions for hospital extension 3-c	-	265,438	265,438	-
Fundraising activities 3-d	1,162,079	-	1,162,079	1,131,013
Other income 3-e	8,048	-	8,048	7,890
Total income	1,364,745	1,242,799	2,607,544	2,214,848
Expenditure on;				
Charitable activities 4	1,032,989	973,209	2,006,198	1,839,290
Expenditure on hospital extension 4	0	265,438	265,438	0
Raising funds 5	265,355	-	265,355	278,577
Total expenditure	1,298,344	1,238,647	2,536,991	2,117,867
Net income for the year	66,401	4,152	70,553	96,981
Reconciliation of funds;				
Total funds brought forward 15	1,511,972	171,851	1,683,823	1,586,842
Total funds carried forward	1,578,373	176,003	1,754,376	1,683,823

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).

Balance Sheet

At 31 March 2019


	Notes	2019 €	2019 €	2018 €	2018 €
Fixed assets;					
Tangible assets	10		120,106		122,836
Total fixed assets			120,106		122,836
Current assets;					
Debtors and prepayments	11	24,645		20,513	
Cash at bank and in hand	12	1,693,293		1,608,711	
Total current assets		1,717,938	0	1,629,224	0
Creditors ; amounts falling due within one year					
Creditors and accruals	13	(83,668)		(68,237)	
Net current assets			1,634,270		1,560,987
Net assets			1,754,376		1,683,823
The funds of the charity;					
Restricted funds	15		176,003		171,851
Unrestricted funds	15		1,578,373		1,511,972
Charity funds			1,754,376		1,683,823

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



Maureen Forrest
Director


Dermot O'Mahoney
Director

Cash Flow Statement

For the Financial Year Ended 31 March 2019

	Note	Total 2019 €	Total 2018 €
Net cash inflow by operating activities	A	75,998	92,748
Cash flows from investing activities			
Deposit interest & exchange gain		8,048	7,890
Net cash provided by investing activities		8,048	7,890
Change in cash and cash equivalents in the year		84,046	100,638
Cash and cash equivalents at the beginning of the year		1,608,391	1,507,753
Cash and cash equivalents at the end of the year		1,692,437	1,608,391

Reconciliation of Net Income to Net Cash Flows from Operating Activities

	Note	Total 2019 €	Total 2018 €
Net income for the year		70,553	96,981
Depreciation		2,730	2,730
Deposit interest & exchange gain		(8,048)	(7,890)
Increase in debtors and prepayments		(4,132)	(6,941)
Increase in creditors		14,895	7,868
Net cash provided by operating activities	A	75,998	92,748

Notes to the Financial Statements

1. Accounting Policies

The significant accounting policies and estimation techniques adopted by the company are as follows.

a) General information and basis of preparation

The company's financial statements comply with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP-FRS 102) and the Companies Act 2014. The address of the registered office of the company is Silverdale Grove, Ballinlough, Cork. The company number of The Hope Foundation with the Companies Registration Office is 303111. The nature of the company's operations and its principal activities are set out in the report of the directors on pages 3 to 16. In accordance with Section 1180(8) 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.

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council, as applied in accordance with the provisions of the Companies Act 2014, and with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 ("the Charities SORP (FRS102)") ("relevant financial reporting framework").

The financial statements are prepared in Euro (€).

As permitted by section 291(3)(4) of the Companies Act 2014, the company has varied the standard formats specified in that Act for the Statement of Financial Activities, the Balance Sheets and the Statement of Cash Flows. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP (FRS102) and are in compliance with Sections 4.7, 10.6 and 15.2 of the Charities SORP (FRS102).

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) Going concern

The charity's forecasts and projections, taking account of reasonable possible changes in performance, show that the company will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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 consists 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.

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

Donations 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.

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.

The Hope Foundation meets the conditions of these grants and sends reports to donors on the performance of the projects annually.

Income from government and other co-founders is 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 3-d.

Investment income:

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.

If interest is paid up front on a fixed deposit, the element unearned at financial year end is deferred and shown as a liability within creditors.

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.

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

Freehold premises: 2%

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 The 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.

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.

1) Pensions- Defined contribution pension scheme

The charity has a Personal Retirement Savings Account (PRSA) scheme available to the charity's employees. Pension deductions are processed through the company payroll and paid over monthly to the Pension fund manager.

HOPE also has a defined contribution pension scheme, which matches employee contributions up to a maximum of between 3% and 5% of pensionable salary. Obligations for contributions are recognised as an expense in the financial year during which services rendered by the employees.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and notes to the financial statements.

The directors do not consider there are any critical judgements or sources of estimation requiring disclosure.

3. Incoming Resources

a) Income from donations and legacies

	2019	2018
	€	€
Public appeals and events	25,458	44,802
Donations from corporates and trusts	14,600	14,000
Individual giving	106,674	138,870
Legacies	6,500	0
Refund from Revenue Commissioners	31,892	50,002
Sundry income	4,187	1,044
Total	189,311	248,718

In 2019 and 2018 all income received from donations and legacies was un-restricted.

b) Income from charitable activities: grants from government, trust & foundations, child sponsorship and other co-funders

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	€	€	€	€
Trust, groups & foundations	-	593,349	593,349	425,184
Corporates	-	67,946	67,946	139,618
Child sponsorships	-	118,348	118,348	100,349
Total	0	779,643	779,643	665,151
Hope Foundation for street children-UK	125	197,718	197,843	162,076
Hope USA	5,182	-	5,182	-
Total	5,307	977,361	982,668	827,227

c) Contributions for hospital extension

Income relates to receipts from trusts and donations which were provided specifically for the purpose of funding the building of an extension to a hospital in Kolkata, India. This income was utilised in full during the financial year (see note 4).

d) Income from raising funds (fundraising activities)

Note	2019	2018
	€	€
Hope Managed fundraising events;		
Gross amount raised by fundraisers	1,499,593	1,439,247
Direct cost of fundraising events	(337,514)	(308,234)
Total	1,162,079	1,131,013

In 2019 and 2018 all income received from fundraising activities was un-restricted.

e) Other income

	2019	2018
	€	€
Deposit interest	6,327	7,890
Exchange gain	1,721	-
Total	8,048	7,890

In 2019 and 2018 all income received were un-restricted.

4. Expenditure on charitable activities

	Grants	Programme	Support	Total	Total
	€	Costs	Costs	2019	2018
	€	€	€	€	€
India programmes	1,335,141	345,432	81,562	1,762,135	1,654,221
Capital and extra projects	78,663	-	-	78,663	49,598
Project monitoring	30,925	-	-	30,925	19,859
Total india programmes	1,444,729	345,432	81,562	1,871,723	1,723,678
Nepal-Humla Children's home	10,000	-	-	10,000	10,000
Total overseas programmes	1,454,729	345,432	81,562	1,881,723	1,733,678
Development education	-	95,292	23,945	119,237	100,192
Governance costs	-	-	5,238	5,238	5,420
Total 2019	1,454,729	440,724	110,745	2,006,198	1,839,290
Note 5					
Total 2018	1,375,904	348,779	114,607	1,839,290	

In 2019, the company spent €265,438 on a hospital extension in Kolkata, India. This is a new expense in the current year and has been shown as a separate item on the face of the Statement of Financial Activities as a result.

5. Expenditure on raising funds

	Direct	Staff	Support	Total	Total
	Costs	Costs	Costs	2019	2018
	€	€	€	€	€
Fundraising Costs	49,251	154,849	38,911	243,011	237,370
Total Ireland	49,251	154,849	38,911	243,011	237,370
Hope USA	21,330	-	-	21,330	6,737
Hope UK	1,014	-	-	1,014	34,470
Total overseas	22,344	-	-	22,344	41,207
Total 2019	71,595	154,849	38,911	265,355	278,577
Note 5					
Total 2018	115,766	122,544	40,267	278,577	

6. Support Costs

	Overseas Programmes	Development Education Programme	Governance	Cost of Raising Funds	Total 2019	Total 2018
	€	€	€	€	€	€
Management and administration	64,643	18,978	4,151	30,841	118,613	125,220
Insurance and finance	8,503	2,496	546	4,056	15,601	12,893
Premises costs	5,692	1,671	366	2,715	10,444	11,508
Communications	2,724	800	175	1,299	4,998	5,253
Total 2019	81,562	23,945	5,238	38,911	149,656	154,874
Notes;	3	3	3	4		
Total 2018	84,407	24,780	5,420	40,267	154,874	

Where support costs are attributable to a particular activity the costs are allocated directly to that activity. Where support costs are incurred to further more than one activity they are apportioned between those activities. These costs are apportioned between the relevant activities based on the amount of staff time which each activity absorbs.

58% to the Overseas Programme, 16% to the Development Education Programme, 26% to the Raising Funds.

7. Other information

	2019 €	2018 €
The net income for the year is stated after charging the following items;		
Depreciation of the tangible fixed assets	2,730	2,730
Audit of financial statements	5,535	5,535

8. Taxation

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

9. Staff costs, Director's Remuneration and expenses

	2019	2018
	€	€
Management, programme and support staff;		
Wages and Salaries	534,522	432,211
Employer's PRSI	53,856	39,112
Employer's Pension	7,195	-
Total	595,573	471,323

	2019	2018
Average number of management and support staff;		
Management, programme and support staff	17	16
Total	17	16

Salary range:

No employees had employee benefits other than normal salary. There were no employees whose remuneration was greater than € 60,000.

Our founder and Honorary Director / (CEO) Maureen Forrest does not take a salary.

Remuneration Committee:

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.

HOPE Pension: Defined contribution scheme

HOPE Employer Pension has been implemented from 1st October 2018 onwards for all qualifying members of current staff. HOPE has a defined contribution pension scheme, which matches employee contributions up to a maximum of between 3% and 5% of pensionable salary. The contributions are paid into separate funds, the assets of which are invested by independent trustees.

Death Cover:

Death in Service Cover is implemented on 1st September 2018.

Remuneration of Directors and Board members:

The charity directors and members of the Board were not paid and did not receive any other benefits from employment, neither were they reimbursed expenses during the financial year. There were no loans advanced to directors during the year and no loans outstanding at the financial year end.

10. Tangible assets

	Total 2019 €	Total 2018 €
Cost;		
At beginning of year	136,485	136,485
Additions in year	-	-
At end of year	136,485	136,485
Depreciation;		
At beginning of year	13,649	10,919
Depreciation charge for the year	2,730	2,730
At end of year	16,379	13,649
Net Book Value	120,106	122,836

The only tangible asset was the Freehold Property.

11. Debtors and prepayments

	2019 €	2018 €
Debtors (note 14)	23,885	19,747
Deposit interest receivable	760	766
Total	24,645	20,513

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

12. Cash at Bank and in Hand

	2019 €	2018 €
Cash at bank	1,693,293	1,608,711
Total	1,693,293	1,608,711

All funds are held with banks that have a satisfactory credit rating as approved by the Board. A satisfactory rating is deemed to be a long term credit rating of at least A3 and a short term credit rating of at least P2 with Moody's Ratings of financial institutions, unless otherwise specifically approved. Cash holdings which are not immediately required for operations are invested in short and medium term interest-bearing accounts. 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 year

	2019 €	2018 €
Creditors (note 14)	3,427	-
Accruals	67,276	35,660
PAYE/PRSI	11,965	28,548
Deferred interest on fixed term deposit account	1,000	4,029
Total	83,668	68,237

Interest is paid up front on a fixed deposit, the element unearned at financial year end is deferred and shown as a liability.

14. Financial instruments

The carrying value of the company's financial assets and liabilities are summarised by category below:

a) Financial assets:

Measured at undiscounted amounts receivable

	2019 €	2018 €
Debtors (note 11)	23,885	19,747
Total	23,885	19,747

b) Financial liabilities:

Measured at undiscounted amounts payable

	2019 €	2018 €
Bank loans and overdrafts (note 13)	857	320
Creditors (note 13)	3,427	-
Total	4,284	320

15. Funds

a) Reconciliation of funds:

	Unrestricted Funds €	Restricted Funds €	Capital Funds €	Total 2019 €	Total 2018 €
Total funds at the beginning	1,511,972	171,851	0	1,683,823	1,586,842
Net income for the year	66,401	4,152	0	70,553	96,981
Funds at the end of year	1,578,373	176,003	0	1,754,376	1,683,823

b) Movements in funds:

	Opening Balance €	Income €	Expenditure €	Closing Balance €
General Funds	320,162	1,364,745	1,295,614	389,293
Designated Funds;				
Tangible Fixed Assets	122,836	0	2,730	120,106
Programme continuity fund	1,068,974	0	0	1,068,974
Total un-restricted funds	1,511,972	1,364,745	1,298,344	1,578,373
Restricted Funds	171,851	1,242,799	1,238,647	176,003
Total Funds	1,683,823	2,607,544	2,536,991	1,754,376

c) Analysis of net assets between funds:

	Unrestricted Funds €	Restricted Funds €	Capital Funds €	Total 2019 €	Total 2018 €
Fund balances are represented by;					
Tangible fixed assets	120,106	0	0	120,106	122,836
Current assets	1,541,935	176,003	0	1,717,938	1,629,224
Current liabilities	(83,668)	0	0	(83,668)	(68,237)
Total	1,578,373	176,003	0	1,754,376	1,683,823

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 2019, there were 14 Directors {also members of the Company} (2018: 14), 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 2019 financial statements.

19. Approval of financial statements

The directors approved and authorised the financial statements for issue on the 15/12/2019