

Charity Registration No. CHY14229

Company Registration No. 336502

OUTREACH MOLDOVA LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2007

OUTREACH MOLDOVA LIMITED

INFORMATION

Trustees / Directors

Anthony Dempsey
Desmond O'Connell
Suzanne O'Connell
Moirra Bailey
Mercy Fleming
Richard Frost
Paul Mangan
Elizabeth O'Leary
Andrew Collins (appointed 2nd September 2008)

Members

Anthony Dempsey
Desmond O'Connell
Suzanne O'Connell
Moirra Bailey
Anne Fitzgerald
Paul Mangan
Ian Matthews

Secretary

Desmond O'Connell

Charity number

CHY14229

Company number

336502

Principal address

37 Oakdene
Ballinlea Road
Killiney
Co. Dublin
Ireland

Registered office

37 Oakdene
Ballinlea Road
Killiney
Co. Dublin
Ireland

Auditors

JPA Brenson Lawlor
Chartered Accountants
Registered Auditors
Argyle Square
Morehampton Road
Donnybrook
Dublin 4

Bankers

Bank of Ireland
Trinity Branch
Dublin
Ireland

Solicitors

Maxwells Solicitors
19 Herbert Place
Dublin 2

OUTREACH MOLDOVA LIMITED

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OUTREACH MOLDOVA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

The trustees present their report and accounts for the year ended 31 December 2007.

Objects of the charity

The charity is a company limited by guarantee without a share capital. The charity provides assistance to Hincesti orphanage for children & young adults with disability. The Municipal Baby orphanage in Chisinau caters for babies and young children from birth to four years, in the Republic of Moldova.

Its primary objectives are to provide:

- Medical care, equipment and medications programme
- A Surgical Programme
- A Rehabilitation Programme
- A Palliative Programme.
- A building and renovation programme.
- Nutritious food and warm clothing.
- A Social integration programme
- A Social Workers Programme
- A Family Programme
- An Education Programme
- A Physiotherapy Programme
- A Speech Therapy Programme
- A Sensory Therapy Programme
- A Cookery Programme
- A Sewing Programme
- An Art and Crafts Programme
- A Computer Programme
- Dance Therapy
- Music Therapy
- A Sports Programme
- Staff Training
- A Volunteer Programme
- A healthier and happier living environment for the children.

Review of activities

During the year Irish volunteers travelled to Moldova to provide emotional support and care to the children. This included providing staff training in special needs, medical & dental, and general assistance with tasks of daily living and to provide assistance with teaching in all new classes/programmes listed above. Their day is very structured as they work in groups while allocated to various Moldovan Staff. Tasks vary from observational in the specialised areas such as speech and physiotherapy, to hands on with large groups of children on outings to the capital, the town, the markets, the sea side and the fun parks with the orphanage staff. They provide the necessary assistance to the Moldovan staff in walking the huge number of children in wheelchairs, with varying levels of paralysis, during the hot summer months so that the children get outside to interact with the other children. They also provide the hands-on necessary to help with the feeding of the 84 children that can not feed independently.

OUTREACH MOLDOVA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

Construction undertaken during the year in Hincesti included:

- Main Kitchen renovation – tiling walls and ceilings;
- A total overhaul of groups 1, 2, 3a, 3b & 4b including under floor heating, new windows, plastering, new doors, new specially designed furniture and 4 new bathrooms and play rooms.;
- The installation of a new art room, computer class, sewing class, hair dressing room and all new equipment.;
- The installation of a new procedure room in Block B;
- Full maintenance of the orphanage buildings including electrical, plumbing, carpentry, and general renovation was completed and ongoing maintenance work in groups 1-17.

Work carried out in the Chisinau Baby orphanage:

- A new palliative centre was opened for children with life limiting conditions with specialised equipment and personnel;
- 2007 saw the installation of new double glazed windows, doors & fire escapes, renovation of halls and landings;
- ORM also installed a new sewerage system, new heating and hot water systems;
- The installation of 5 mini kitchens and the renovation of 5 Group rooms (work began in 2006 and continued into 2007)

The number of children in the main orphanage in Hincesti increased from 300 to 353 with a further 110 children in the Baby Orphanage in Chisinau. This year one Child, Iadvisa Talambuta, from Hincesti orphanage, died in the Republican Hospital in Chisinau following post surgical complications. One child was taken home permanently by her extended family, and 6 children were placed in temporary supervised, sheltered accommodation provided by a religious group from the UK.

Medical and surgical hospital admissions for intervention and inpatient care provided by ORM in 2007 and can be broken down as follows:

- Hepatology 21 admissions
- Maxillofacial Surgery 1 admission
- Cardio surgery 2 admissions
- Urology 2 admissions
- Psychiatry 3 admissions
- Neurosurgery 2 admissions
- General Surgery 19 admissions
- Intensive Care 18 admissions
- Orthopaedic Surgery, 24 admissions with follow up post surgical Physiotherapy, electrical and thermotherapy; 17 are now walking with support.

OUTREACH MOLDOVA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

Within the Hincesti orphanage the following additional services were provided by ORM:

- Specialist paediatric Neurologist for 115 Children with epilepsy; including EEG's, biochemical markers and blood levels, monitoring seizure medications;
- Clinical Parasitological specialists incorporating and treating 353 children and 411 Staff;
- 84 children were seen by specialist Dermatologists, Ear Nose and Throat Specialists, Respiratory specialist, consultant ophthalmologist, endocrinologist, Cardiology specialist and Gastroenterology specialist;
- Routine gynaecological examinations are carried out biannually on all children;
- 3906 Blood tests were carried out in 2007 in our new on site laboratory
- 1036 fillings, 19 extractions, 698 tartar removal, 1208 applications, 378 irrigations & 20 dental reconstructions were carried out by our dental team.
- 107 children received Physiotherapy & Speech therapy
- 67 children attend school following the national curriculum
- 167 children participate in sports, dance, cookery classes and arts and crafts.
- 36 children receive Computer training
- 420 children went on outings to town markets, theme parks, swimming and restaurants with Irish volunteers
- 28 children went to the Ukraine on Holidays

The following table includes the number of hours worked by ORM fulltime staff in Hincesti orphanage:

- Medical	Doctors	21,372
	Dental	4,160
	Speech	4,680
	Physiotherapy	13,104
	Matrons	28,548
	Nurses	26,208
- Non-Medical	School	4,056
	Educators	8,580
	Teaching assistants	30,420
	Home Economics	780
	Dance teacher	1,924
	Sewing teacher	2,340
	Computing teacher	2,340
	Art Teacher	4,680
	Sports	4,680
	Bathing assistants	9,360
	Auxiliary Care staff	209,664
	Admin staff	16,848
	Maintenance staff	19,656
	Drivers	8,736

ORM focuses on the children's individual needs and adopts an integrated model of multidisciplinary care. Emphasis is placed on the overall well being and health of the child, focussing on their medical, nutritional, educational, social and emotional needs. The specialist teams coordinate their therapy needs, and auxiliary staff focus on all other services.

OUTREACH MOLDOVA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

Focus is centred on ability & enabling. Inclusion and participation is emphasised and practiced by ORM in a society where disability leads to exclusion and is the norm for children with special needs.

Income generation

The following income was generated during the year:

- Raised €1,171,039 through fund raising and other donations. €1,010,651 was raised in 2006.

Resources expended

Included in the resources expended are the following:

- During the year renovations and construction work was carried out in the orphanage at a cost of €149,933; included in this amount is an accrual of €44,000 in respect of construction carried out in 2007.
- Medical facilities and medication were provided to the children at a cost of €364,710;
- Expenditure of €145,360 on volunteers during the year regarding travel, subsistence and insurance.

Future Plans

- Future plans for 2008 include the continuation and expansion of all our current projects both medical and non-medical. In 2007 the company continued to explore the feasibility of building new homes suitable for independent living and a halfway house for the girls estimated to cost in excess of €1M, in collaboration with the Minister for family and Social Protection as part of their de-institutionalisation programme for children with Disability.

Volunteer Hours

Outreach Moldova would like to thank all the volunteers who together contributed 40,000 hours during the year.

Trustees

The trustees, who are also the directors for the purpose of company law, who served during the year are:

Name	Date From
Anthony Dempsey	28/09/2001
Desmond O'Connell	13/12/2000
Suzanne O'Connell	13/12/2000
Moir Bailey	28/07/2006
Mercy Fleming	28/07/2006
Richard Frost	28/07/2006
Paul Mangan	28/07/2006
Elizabeth O'Leary	28/07/2006
Andrew Collins	02/09/2008

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute €1.27 in the event of a winding up.

Review of the financial position

Assets which have been donated are valued at open market value by the trustees. This is in accordance with the SORP Accounting for Charities.

Connected charities

There are no connected charities.

OUTREACH MOLDOVA LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

Books and records

The company's directors are aware of their responsibilities, under section 202 of the Companies Act 1990 to maintain proper books of account and are discharging this responsibility by applying the following:

- ensuring that sufficient company resources are available for this task and
- consulting with auditors on bookkeeping matters.

The books and records are maintained at the company's registered office at 37 Oakdene, Ballinclea Road, Killiney, Co. Dublin.

Risk management

The trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the charity in the future.

Company structure and control

The following is the structure of the company:

- In Ireland, Suzanne O'Connell, (founder Director), Desmond O'Connell (Director/Secretary), and Anthony Dempsey, Moira Bailey, Mercy Fleming, Richard Frost, Paul Mangan, Elizabeth O'Leary (Directors).
- In Moldova, Desmond O'Connell, Dr Suzanne O'Connell and Dr Rita Rotari, Medical Director.

All decisions regarding financial expenditure, including construction projects and staff employment etc. are decided by Suzanne and Desmond O'Connell. Building, refurbishment and local management issues are overseen by the local administrator. The Medical Director in consultation with Suzanne O'Connell oversees medical decisions regarding surgery or invasive procedures. Day-to-day routine medical care is the responsibility of the Medical Director and her team.

Outreach Moldova has sent over 150 volunteers from both North and South of the country to work with these children over the last year.

Statement of trustees responsibilities

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and its income and expenditure for that year.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to ensure that the accounts comply with the Companies Act 1963 – 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

OUTREACH MOLDOVA LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

Auditors

In accordance with section 160(2) of the Companies Act 1963, JPA Brenson Lawlor continues in office as auditors of the company.

On behalf of the board of trustees

Anthony Dempsey
Trustee

Desmond O'Connell
Trustee

Dated: 17/10/08

OUTREACH MOLDOVA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OUTREACH MOLDOVA LIMITED

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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.

We have audited the financial statements of Outreach Moldova Limited on pages 7 to 13 for the year ended 31 December 2007. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out herein.

Respective responsibilities of the trustees and auditors

As described in the statement of trustees responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the Generally Accepted Accounting Practice in Ireland applicable to Smaller Entities, and are properly prepared in accordance with the Companies Acts, 1963 to 2006. We also report to you whether in our opinion proper books of account have been kept by the company; and whether the information given in the trustees report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the company's balance sheet and its income and expenditure account are in agreement with the books of account.

We report to the trustees if, in our opinion, any information specified by law regarding the trustee's remuneration and transactions is not given and, where practicable, include such information in our report.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with the International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

OUTREACH MOLDOVA LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF OUTREACH MOLDOVA LIMITED

Opinion

In our opinion the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2007 and of its results for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2006.

We have obtained all the information and the explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the trustees report is consistent with the financial statements.

JPA Brenson Lawlor

Chartered Accountants
Registered Auditors

Argyle Square
Morehampton Road
Donnybrook
Dublin 4

Dated: 17/10/08

OUTREACH MOLDOVA LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Accounts and Statement of Total Recognised Gains and Losses) FOR THE YEAR ENDED 31 DECEMBER 2007

Notes	Unrestricted funds €	Restricted funds €	Endowment funds €	Total 2007 €	Total 2006 €
Incoming resources					
Donations and gifts	1,162,670	-	-	1,162,670	1,010,651
Total incoming resources	<u>1,162,670</u>	<u>-</u>	<u>-</u>	<u>1,162,670</u>	<u>1,010,651</u>
Resources expended					
Direct charitable expenditure:					
Medical costs	364,710			364,710	291,054
Construction costs	149,933			149,933	155,439
Volunteer costs	145,364			145,364	111,540
Education costs	19,255			19,255	18,175
Support costs	61,138			61,138	63,707
Other expenditure:					
Fundraising and publicity	58,536			58,536	31,113
Management and administration	44,079			44,079	46,297
Depreciation	40,760	-	-	40,760	40,962
	<u>883,775</u>	<u>-</u>	<u>-</u>	<u>883,775</u>	<u>758,287</u>
Bank interest received	11,809	-	-	11,809	120
Total resources expended	<u>871,966</u>	<u>-</u>	<u>-</u>	<u>871,966</u>	<u>758,167</u>
Net incoming/(outgoing) resources	<u>290,704</u>	<u>-</u>	<u>-</u>	<u>290,704</u>	<u>252,484</u>
Net movement in funds	290,704			290,704	252,484
Fund balances at 31 December 2006	<u>546,631</u>	-	-	<u>546,631</u>	<u>294,147</u>
Fund balance at 31 December 2007	<u>837,335</u>	<u>-</u>	<u>-</u>	<u>837,335</u>	<u>546,631</u>

The financial statements were approved by the board on 17/10/2008.

Director
Anthony Dempsey

Director
Desmond O'Connell

OUTREACH MOLDOVA LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2007

	Notes	2007 €	2006 €
Fixed assets			
Tangible assets	6	<u>88,260</u>	<u>129,020</u>
Current assets			
Cash at bank and in hand		827,443	453,372
Prepayments		<u>-</u>	<u>-</u>
		827,443	453,372
Creditors: amounts falling due within one year	7	<u>(78,368)</u>	<u>(35,761)</u>
Net current assets		<u>749,075</u>	<u>417,611</u>
Net assets		<u>837,335</u>	<u>546,631</u>
Income funds			
Unrestricted funds		<u>837,335</u>	<u>546,631</u>

The financial statements were approved by the board on 17/10/08.

Director
Anthony Dempsey

Director
Desmond O'Connell

OUTREACH MOLDOVA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

	2007	2006
	€	€
Net cash inflow from operating activities Note 1	374,071	295,064
Capital expenditure and financial investment Payments to acquire tangible fixed assets	-	(41,530)
Net cash outflow from Capital expenditure and financial investment	<u>-</u>	<u>-</u>
Net cash (outflow)/inflow before management of liquid resources and financing	374,071	253,534
Net cash (outflow)/inflow from financing	<u>374,071</u>	<u>253,534</u>
Increase in cash Note 2	<u>374,071</u>	<u>253,534</u>

OUTREACH MOLDOVA LIMITED

NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

1. Net cash flow from operating activities

	2007	2006
	€	€
Reconciliation to changes in resources		
Changes in resources before revaluations	290,704	252,484
Depreciation of tangible fixed assets	40,760	40,961
(Increase) / decrease in debtors	-	-
Increase / (decrease) in creditors	<u>42,607</u>	<u>1,619</u>
	<u>374,071</u>	<u>295,064</u>

2. Reconciliation of net cash flow to movement in net debt

	2007	2006
	€	€
Net funds at 31 December 2007	827,443	453,372
Net funds at 31 December 2006	453,372	199,838
Increase/(decrease) in cash	<u>374,071</u>	<u>253,534</u>

OUTREACH MOLDOVA LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain assets.

The financial statements have been prepared in accordance with the Statement of Recommended Practice-Accounting by Charities.

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Donated fixed assets are valued at their fair value and depreciated over their useful economic lives. This policy is in accordance with SORP Accounting for Charities. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	20% Straight line
Land & buildings	Not depreciated
Equipment	20% Straight line
Motor vehicles	20% Straight line

1.4 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.5 Accumulated funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.6 Turnover

The total turnover of the company for the year has been derived from its principal activity.

OUTREACH MOLDOVA LIMITED

NOTES TO THE ACCOUNTS (CONT.) FOR THE YEAR ENDED 31 DECEMBER 2007

2	Total resources expended	Staff costs €	Other costs €	Total 2007 €	Total 2006 €
	Direct charitable expenditure:				
	Medical costs	201,475	163,235	364,710	291,054
	Construction costs	19,846	130,087	149,933	155,439
	Volunteer costs	-	145,364	145,364	111,540
	Education costs	18,314	941	19,255	18,175
	Support costs	40,165	20,973	61,138	63,707
	Other expenditure:				
	Fundraising and publicity	-	58,536	58,536	31,113
	Depreciation	-	40,760	40,760	40,962
	Management and administration	-	<u>44,079</u>	<u>44,079</u>	<u>46,297</u>
	Totals	<u>279,800</u>	<u>603,975</u>	<u>883,775</u>	<u>758,287</u>

Management and administration costs include costs relating to the auditors of €3,993 for audit fees and €5,929 for other services.

3 Trustees

None of the trustees (or any person connected with them) received any remuneration during the year.

4 Employees

Number of employees

The average monthly number of employees during the period was:

	2007	2006
Part time administrator	<u>1</u>	<u>1</u>
Other employees	<u>290</u>	<u>284</u>

Employment costs

Total wages	<u>279,800</u>	<u>221,760</u>
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OUTREACH MOLDOVA LIMITED

NOTES TO THE ACCOUNTS (CONT.) FOR THE YEAR ENDED 31 DECEMBER 2007

5 Changes in resources available for charity use

	General Unrestricted Funds €	Unrestricted Gifts & Donations Revalued fund €	Restricted Funds €	Total 2007 €	Total 2006 €
Net movement in funds available for future activities	<u>334,704</u>	<u>-</u>	<u>-</u>	<u>334,704</u>	<u>252,484</u>

6 Tangible fixed assets

	Land & Buildings €	Equipment €	Motor Vehicles €	Total €
Cost				
As at 1 st January 2007	44,948	149,240	101,684	295,872
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 st December 2007	<u>44,948</u>	<u>149,240</u>	<u>101,684</u>	<u>295,872</u>
Depreciation				
As at 1 st January 2007	-	(94,641)	(72,211)	(166,852)
Charge for the period	<u>-</u>	<u>(26,023)</u>	<u>(14,737)</u>	<u>(40,760)</u>
At 31 st December 2007	<u>-</u>	<u>(120,664)</u>	<u>(86,948)</u>	<u>(207,612)</u>
Net book value				
As at 31 st December 2007	<u>44,948</u>	<u>28,576</u>	<u>14,736</u>	<u>88,260</u>
As at 31 st December 2006	<u>44,948</u>	<u>54,599</u>	<u>29,473</u>	<u>129,020</u>

7 Creditors: amounts falling due within one year

	2007 €	2006 €
Other creditors	960	5,647
Accruals and deferred income	<u>77,408</u>	<u>30,114</u>
	<u>78,368</u>	<u>35,761</u>

8 Taxation

The company is exempt from corporation tax as it is a charity.

9 Approval of the financial statements

The directors approved the financial statements on 17/10/08.