

Christina Noble Children's Foundation (Ireland) Limited
(Company limited by guarantee and not having a share capital)

Directors' Report and Financial Statements

Year Ended 31 December 2007

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DIRECTORS AND OTHER INFORMATION

Current Directors

Breda Whelan
John Goulding
Paul O'Duffy
Lillian Harris
Tom Ward (Chairman)
Harry Beauchamp
Matti Viio (appointed 7 December 2007)

Solicitors

Ivor Fitzpatrick's
44-45 St Stephen's Green
Dublin 2

Secretary and Registered Office

Nina Secretarial Limited
44/45 St. Stephen's Green
Dublin 2
Ireland

Bankers

Allied Irish Bank
100 Grafton Street
Dublin 2
Ireland

Company No: 291785

Charitable Tax Status No: CHY 12636

AIB International Banking Services
Ashford House
PO Box 518
Tara Street
Dublin 2
Ireland

Auditors

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Anglo Irish Bank
Stephen's Green
18/21 Stephen's Green
Dublin 2
Ireland

Bank of Ireland
40 Mespil Road
Dublin 4

DIRECTORS' REPORT

The directors present herewith their report and the audited financial statements for the year ended 31 December 2007.

Statement of directors' responsibilities for financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 1983 and 1990 to 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.

Books of account

The measures taken by the directors to secure compliance with the company's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. The books of account are kept at 22 South Frederick Street, Dublin 2.

Principal activities and performance of the business and of its position

The Christina Noble Children's Foundation (Ireland) Limited is part of an international partnership of people dedicated to serving children in need of emergency and long-term medical care, nutritional rehabilitation, educational opportunities, vocational training, job placement and the protection of children at risk of economic and sexual exploitation. The foundation seeks to maximise the potential of each child. This is accomplished within the context of the family and the community whenever possible and always with love and respect for the dignity of each child as an individual.

The company raises funds for street children and disadvantaged children in Vietnam and Mongolia. The directors were pleased with the fundraising that was undertaken by the company during the period and hope to see increased income from fundraising taking place during the coming year which will continue to support and sustain the foundation's projects in Vietnam and Mongolia.

We hope to look at implementing projects closer to home in the near future.

In 2005, through the generosity of South Dublin County Council and a number of major sponsors including Kingspan Century Homes, Durkan New Homes Ltd and others a new state of the art ecologically designed house located at Kiltipper was donated to CNCF. Christina Noble was determined that this house should be used for the education and assistance of disadvantaged children in Tallaght and became aware of the great work already being undertaken by An Cosán in the area. The land on which the house was constructed is the property of South Dublin County Council and we hope to enter into a lease agreement with them very shortly. The childcare project will then be operated by An Cosan so a lease agreement will also be put in place between CNCF and An Cosan.

DIRECTORS' REPORT - continued

Principal activities and performance of the business and of its position - continued

Total incoming resources for the year was €561,910 which represents a decrease of €545,696 from the prior year. There was an increase of €72,944 in the direct charitable expenditure and other expenditure for the year was €186,700.

The directors consider the financial position of the company as indicated in the balance sheet on page 8 to be satisfactory.

These financial statements cover the year ended 31 December 2007.

Principal risks and uncertainties

In common with other charities of our size we are limited in the resources we are able to apply in segregating the duties of operatives and fundraisers alike. Being aware of this we use our available resources in the manner we deem most effective which the Directors keep under constant review. We have considered the major risks to which the charity is exposed and are satisfied that systems are in place and new systems will be put in place as and when necessary to mitigate its exposure to major risks.

Legal status

Christina Noble Children's Foundation (Ireland) Limited is a company incorporated under the Companies Act, 1963 limited by guarantee and not having a share capital. The company is exempt from corporation tax and is an 'eligible charity' for the purposes of corporate donations.

Events since the year end

There have been no significant events affecting the company since the year end.

Future developments

No significant future developments are planned by the company.

Research and development

The company did not engage in any research and development during the year.

Directors

The names of the persons who were directors at any time during the year ended 31 December 2007 are set out below. Unless indicated otherwise they served as directors for the entire year.

Breda Whelan
John Goulding
Paul O'Duffy
Lillian Harris
Tom Ward
Harry Beauchamp
Matti Viio (appointed 7 December 2007)

Transactions involving directors

There were no contracts of any significance in relation to the affairs of the company in which the directors had any interest, as defined in the Companies Act, 1990, at any time during the year ended 31 December 2007.

Auditors

The auditors, PricewaterhouseCoopers will continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board

Paul O'Duffy

John Goulding

8 May 2008

Independent auditors' report to the members of Christina Noble Children's Foundation (Ireland) Limited

We have audited the financial statements on pages 7 to 14. These financial statements have been prepared under the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

The director' responsibilities for preparing the directors' report and the financial statements in accordance with applicable Irish law and accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out on page 3 in the statements of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 1983 and 1990 to 2006. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account; and
- whether the directors' report is consistent with the financial statements.

We also report to you if, in our opinion, any information required by law regarding directors' remuneration or directors' transactions is not disclosed and, where practicable, include such information in our report.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board except that the scope of our work was limited as explained below.

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.

Independent auditors' report to the members of Christina Noble Children's Foundation (Ireland) Limited - continued

Basis of opinion - continued

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. However, the evidence available to us was limited because this charity, in common with many others of similar size and organisation, derives a substantial portion of its income from voluntary donations and other fundraising activities which cannot be fully controlled until they are entered in the accounting records, and are not therefore susceptible to independent audit verification.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from limitation on audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning voluntary donations and income from other fundraising activities, in our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31 December 2007 and of its net outgoing resources for the year then ended and have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and have been properly prepared in accordance with the Companies Acts, 1963 to 1983 and 1990 to 2006.

In respect alone of the limitation on our work relating to voluntary donations and income from other fundraising activities, we are unable to confirm that we have obtained all the information and explanations we consider necessary for the purposes of our audit, and whether proper accounting records have been kept in this regard.

The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 3 and 4 is consistent with the financial statements.

**PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin**

12 May 2008

STATEMENT OF FINANCIAL ACTIVITIES
Year Ended 31 December 2007

	Notes	2007 Unrestricted Funds €	2007 Restricted Funds €	2007 Total Funds €	2006 Total Funds €
Income and expenditure					
<i>Incoming resources</i>					
Net income from fundraising activities			2,515	2,515	373,966
Gifts, donations and bequests		81,769	442,538	524,307	714,235
Interest income		<u>34,660</u>	<u>428</u>	<u>35,088</u>	<u>19,405</u>
Total incoming resources	1	<u>116,429</u>	<u>445,481</u>	<u>561,910</u>	<u>1,107,606</u>
Resources expended					
<i>Direct charitable expenditure</i>					
Allocation to CNCF Mongolia and CNCF Vietnam		2,133	531,868	534,001	461,057
<i>Other expenditure</i>					
Management and administration of charity	2	<u>172,357</u>	<u>14,343</u>	<u>186,700</u>	<u>302,208</u>
Total resources expended		<u>174,490</u>	<u>546,211</u>	<u>720,701</u>	<u>763,265</u>
Net (outgoing)/incoming resources for the year	3	(58,061)	(100,730)	(158,791)	344,341
Transfer of funds		<u>(4,260)</u>	<u>4,260</u>	<u>-</u>	<u>-</u>
Fund balances brought forward at 1 January 2007		<u>225,271</u>	<u>955,626</u>	<u>1,180,897</u>	<u>836,556</u>
Fund balances carried forward at 31 December 2007		<u>162,950</u>	<u>859,156</u>	<u>1,022,106</u>	<u>1,180,897</u>

The company has no recognised gains and losses other than those included in the net (outgoing)/incoming resources above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between net (outgoing)/incoming resources as stated above and its historical cost equivalent.

All of the above derive totally from continuing operations.

On behalf of the Board

Paul O'Duffy

John Goulding

BALANCE SHEET
 As at 31 December 2007

	Notes	2007 €	2006 €
Fixed assets			
Tangible assets	4	<u>5,643</u>	<u>10,228</u>
Current assets			
Cash at bank and in hand		1,049,122	1,191,186
Amounts receivable and prepayments	5	<u>43,035</u>	<u>58,128</u>
Total current assets		<u>1,092,157</u>	<u>1,249,314</u>
Current liabilities			
Creditors: amounts falling due within one year	6	<u>(75,694)</u>	<u>(78,645)</u>
Net current assets		<u>1,016,463</u>	<u>1,170,669</u>
Total net assets		<u>1,022,106</u>	<u>1,180,897</u>
Financed by:			
Restricted funds	7	859,156	955,626
Unrestricted funds		<u>162,950</u>	<u>225,271</u>
		<u>1,022,106</u>	<u>1,180,897</u>

On behalf of the Board

Paul O'Duffy

John Goulding

CASH FLOW STATEMENT
Year Ended 31 December 2007

	Notes	2007 €	2006 €
Net cash (outflow)/ inflow from operating activities	8	(174,161)	167,586
Returns on investments and servicing of finance	9	32,097	18,155
Capital expenditure and financial investment	10	<u>-</u>	<u>(6,595)</u>
(Decrease)/Increase in cash and bank balances	11	<u>(142,064)</u>	<u>179,146</u>

ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES

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

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish Statute comprising the Companies Acts, 1963 to 1983 and 1990 to 2006. Accounting standard generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by The Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

Accounting convention

The financial statements are prepared in accordance with the historical cost convention. The currency used in these financial statements is the Euro which is denoted by the symbol "€".

Format of financial statements

The financial statements have been prepared in accordance with the SORP "Accounting by Charities".

Income

Income consists of donations and other funds generated by voluntary activities. These are included in the financial statements when received at headquarters. Child sponsorship monies are included in the financial statements when received at headquarters.

Donations in kind

Donations in kind are included at their estimated value to the foundation in both revenue and expenditure in the year of receipt.

Expenditure

All expenditure is written off and no value is attributed to stocks or other unexpired costs.

Direct charitable expenditure comprises amounts paid to Christina Noble Children's Foundation in Mongolia and Vietnam.

Management and administrative costs comprise expenditure incurred by Christina Noble Children's Foundation (Ireland) Limited on general administration and expenditure on management and compliance with constitutional and statutory requirements.

Fixed assets

Tangible fixed assets are stated at cost less depreciation. The estimated useful lives of tangible fixed assets by reference to which depreciation has been calculated are as follows:

Motor vehicles	5 Years
Office equipment	5 Years
Fixture and Fittings	10 years
Computer Equipments	3 Years

NOTES TO THE FINANCIAL STATEMENTS

1 Incoming resources	2007 €	2006 €
Unrestricted incoming resources	116,429	186,020
Restricted incoming resources	445,481	921,586
Direct fundraising expenditure	<u>-</u>	<u>-</u>
	<u>561,910</u>	<u>1,107,606</u>

2 Resources expended	2007 €	2006 €
Management and administration expenses	<u>186,700</u>	<u>302,208</u>
The foundations employment costs for all employees included in the above figure comprise:		
Wages and salaries	59,001	132,078
Social welfare costs	<u>6,342</u>	<u>7,814</u>
	<u>65,343</u>	<u>139,892</u>

The average number of employees employed by the foundation during the year was 2 (2006: 3).

3 Net (outgoing)/incoming resources	2007 €	2006 €
Net (outgoing)/incoming resources is stated after charging/(crediting):		
Directors' remuneration	<u>-</u>	<u>-</u>
Auditors' remuneration	<u>15,000</u>	<u>12,100</u>
Depreciation	<u>4,585</u>	<u>6,770</u>
and crediting:		
Interest income	<u>(35,088)</u>	<u>(19,405)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Tangible assets	Office equipment €	Motor vehicles €	Total €
Cost			
At 1 January 2007	25,146	13,015	38,161
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2007	<u>25,146</u>	<u>13,015</u>	<u>38,161</u>
Depreciation			
At 1 January 2007	14,918	13,015	27,933
Charge for the year	<u>4,585</u>	<u>-</u>	<u>4,585</u>
At 31 December 2007	<u>19,503</u>	<u>13,015</u>	<u>32,518</u>
Net book value			
AT 31 December 2007	<u>5,643</u>	<u>-</u>	<u>5,643</u>
At 31 December 2006	<u>10,228</u>	<u>-</u>	<u>10,228</u>

5 Amounts receivable and prepayments	2007 €	2006 €
Prepayments	6,258	10,103
PAYE/PRSI	4,221	5,752
Amounts owing from Christina Noble Children's Foundation (UK) Limited	<u>32,556</u>	<u>42,273</u>
	<u>43,035</u>	<u>58,128</u>

6 Creditors - Amounts falling due within one year	2007 €	2006 €
Creditors	11,816	6,355
Accruals	<u>63,878</u>	<u>72,290</u>
	<u>75,694</u>	<u>78,645</u>

7 Restricted funds

Income received by the Foundation, the application of which is restricted to a specific purpose by the donor, is treated as restricted funds, and is unavailable for other charitable uses.

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Reconciliation of operating surplus to net cash (outflow)/inflow from operating activities	2007 €	2006 €
Operating (deficit)/surplus	(158,791)	344,341
Interest earned	(35,088)	(19,405)
Bank interest and charges	2,991	1,250
Depreciation	4,585	6,770
Decrease in amounts receivable and prepayments	15,093	4,697
(Decrease) in creditors	<u>(2,951)</u>	<u>(170,067)</u>
Net cash (outflow)/ inflow from operating activities	<u>(174,161)</u>	<u>167,586</u>
9 Returns on investments and servicing of finance	2007 €	2006 €
Interest received	35,088	19,405
Interest paid	<u>(2,991)</u>	<u>(1,250)</u>
Total cash inflow from returns on investments and servicing of finance	<u>32,097</u>	<u>18,155</u>
10 Capital expenditure and financial investment	2007 €	2006 €
Payments to acquire tangible fixed assets	<u>-</u>	<u>(6,595)</u>
Total cash outflow from capital expenditure and financial investment	<u>-</u>	<u>(6,595)</u>
11 Changes in cash and cash equivalents during the year	2007 €	2006 €
Balance at 1 January	1,191,186	1,012,040
Net cash (outflow)/inflow	<u>(142,064)</u>	<u>179,146</u>
Balance at 31 December	<u>1,049,122</u>	<u>1,191,186</u>
	2007	2006
	€	€
Change in year		€
Represented by:		
Cash at bank and in hand	<u>1,049,122</u>	<u>1,191,186</u>
Balance at 31 December	<u>1,049,122</u>	<u>(142,064)</u>
	<u>1,049,122</u>	<u>1,191,186</u>
		<u>(142,064)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Related party transactions

At the end of the year the total amount due to the company from Christina Noble Children's Foundation (UK) Limited was €32,556 (2006: €42,273).

13 Ultimate Controlling Party

The Board of Directors are the ultimate controlling party.

14 Approval of financial statements

The financial statements were approved by the directors on 8 May 2008.

UNAUDITED - SCHEDULE TO THE FINANCIAL STATEMENTS
Year Ended 31 December 2007

	2007 Unrestricted Funds €	2007 Restricted Funds €	2007 Total Funds €	2006 Total Funds €
General administration	152,560	12,843	165,403	277,325
Travel	6,931	-	6,931	12,646
Promotional	<u>12,866</u>	<u>1,500</u>	<u>14,366</u>	<u>12,237</u>
	<u>172,357</u>	<u>14,343</u>	<u>186,700</u>	<u>302,208</u>
General administration expenses				
Consultancy	(3,630)	-	(3,630)	9,000
Wages	55,641	9,702	65,343	139,892
Temporary staff	5,369	-	5,369	-
Rent and rates	11,361	-	11,361	13,095
Light and heat	1,020	-	1,020	1,015
Insurance	1,760	-	1,760	2,002
Telephone	4,793	-	4,793	13,253
Postage and stationery	3,662	-	3,662	7,243
Repairs and services	1,466	-	1,466	1,878
Delivery expenses	607	-	607	367
Audit and accounting	18,428	-	18,428	13,260
Legal and professional	26,049	-	26,049	28,520
Exchange differences	122	-	122	(28)
Bank fees & interest	1,040	1,951	2,991	2,645
Recruitment fees	-	-	-	8,831
Sundry	1,064	-	1,064	1,527
Depreciation	4,585	-	4,585	6,770
Healthcare	4,814	-	4,814	7,032
Staff training	-	-	-	115
IT costs	2,731	-	2,731	3,703
Canteen and cleaning	1,117	-	1,117	1,459
Credit card fees	-	1,190	1,190	1,073
VAT expenses	<u>10,561</u>	<u>-</u>	<u>10,561</u>	<u>14,673</u>
Total general administration expenses	<u>152,560</u>	<u>12,843</u>	<u>165,403</u>	<u>277,325</u>

UNAUDITED - SCHEDULE TO THE FINANCIAL STATEMENTS
Year Ended 31 December 2007

Travel	2007 Unrestricted Funds €	2007 Restricted Funds €	2007 Total Funds €	2006 Total Funds €
Dental hospital expenses	-	-	-	308
Flights	1,339	-	1,339	6,589
Travel subsistence	4,876	-	4,876	4,896
Accommodation	716	-	716	853
Total travel expenses	<u>6,931</u>	<u>-</u>	<u>6,931</u>	<u>12,646</u>
Promotional				
Advertising	2,780	-	2,780	1,242
Event/organising expenses	-	1,500	1,500	-
Web design	8,820	-	8,820	8,109
Printing	1,266	-	1,266	2,258
Golf classic event	-	-	-	628
Total promotional expenses	<u>12,866</u>	<u>1,500</u>	<u>14,366</u>	<u>12,237</u>
Total administration expenses	<u>172,357</u>	<u>14,343</u>	<u>186,700</u>	<u>302,208</u>