

**STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS  
HAARLEM**

Financial statements 2006

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of Grant Thornton International

Stichting Internationale Orde van Hospitaalbroeders

Gasthuisvest 13 zwart

2011 ET Leiden

Leiden, 15 November 2007

8313650/WES/APR/MJH

Subject: Financial statements 2006

Dear Trustees,

#### **ASSIGNMENT**

In compliance with your assignment we have audited the financial statements for the year 2006 of your stichting, including the balance sheet giving totals of € 175.018 and the income and expenditure account closing with a result of positive € 137.354.

## Stichting Internationale Orde van Hospitaalbroeders, Haarlem

**RESULT****Comparative statement**

The result for the year 2006 amounts to € 137.354 against € 8.578 for 2005. The results for both years can be summarized as follows:

	2006		2005		Change
	€	%	€	%	€
<b>Donation revenue</b>	506.461	100,0	517.558	100,0	-11.097
Support from "Hospitaller Order of St. John of God"	180.169	35,6	-	-	180.169
	<u>686.630</u>	<u>135,6</u>	<u>517.558</u>	<u>100,0</u>	<u>169.072</u>
<b>Costs</b>					
Expenses for projects	98.069	19,4	246.613	47,6	-148.544
Wages and salaries	25.195	5,0	20.645	4,0	4.550
Social charges	3.548	0,7	3.172	0,6	376
Other operating expenses	422.771	83,5	238.636	46,1	184.135
	<u>549.583</u>	<u>108,6</u>	<u>509.066</u>	<u>98,3</u>	<u>40.517</u>
<b>Operating result</b>	<u>137.047</u>	<u>27,0</u>	<u>8.492</u>	<u>1,7</u>	<u>128.555</u>
Financial income and expenses	307	0,1	86	-	221
<b>Result on ordinary activities</b>	<u>137.354</u>	<u>27,1</u>	<u>8.578</u>	<u>1,7</u>	<u>128.776</u>
Taxation on result of ordinary activities	-	-	-	-	-
<b>Result</b>	<u><u>137.354</u></u>	<u><u>27,1</u></u>	<u><u>8.578</u></u>	<u><u>1,7</u></u>	<u><u>128.776</u></u>

**Donation revenue**

The donation revenue decreased with 2,1%.

**Stichting Internationale Orde van Hospitaalbroeders, Haarlem****Costs**

Operating expenses increased with 8,0%.

The breakdown is as follows:

	2006		2005		2006 versus 2005	
	€	%	€	%	€	%
Expenses for projects	98.069	17,8	246.613	48,4	-148.544	-60,2
Employment costs	28.743	5,2	23.817	4,7	4.926	20,7
Accommodation expenses	15.582	2,8	17.035	3,4	-1.453	-8,5
Office expenses	31.205	5,7	44.414	8,7	-13.209	-29,7
General expenses	15.429	2,9	21.214	4,1	-5.785	-27,3
Selling expenses prospective donors	274.991	50,0	39.575	7,8	235.416	594,9
Selling expenses existing donors	85.564	15,6	116.398	22,9	-30.834	-26,5
	<u>549.583</u>	<u>100,0</u>	<u>509.066</u>	<u>100,0</u>	<u>40.517</u>	

**Supported projects 2006**

Centre	Amount	Co-funded	Total
	€	€	€
Zambia - Support for Health Centre	5.000	-	5.000
Ghana, Asafo - Hospital and vehicle	15.226	24.774	40.000
Cameroon, Douala - Water supply	11.000	3.000	14.000
East Timor - Ambulance	8.000	21.000	29.000
Sierra Leone, Lunsar - Umsuma info	4.605	-	4.605
Malawi, Mzuzu - Support for Health Service	15.000	-	15.000
Ghana, Koforidua - Dr. Jansen	25.000	-	25.000
Malawi, Mzuzu - Child Development Centre	14.238	-	14.238
	<u>98.069</u>	<u>48.774</u>	<u>146.843</u>

**Stichting Internationale Orde van Hospitaalbroeders, Haarlem**

**TAX POSITION**

**Tax**

Stichting Internationale Orde van Hospitaalbroeders has got an exemption for the VAT and corporation tax. This exemption is given by Dutch tax authorities because of the charity activities of Stichting Internationale Orde van Hospitaalbroeders.

We will be pleased to provide any additional information if required.

Yours sincerely,  
Arenthals Grant Thornton Accountants en Adviseurs B.V.

Signed by  
W.A. van Es  
Registeraccountant

2006

#### **PRINCIPAL ACTIVITIES**

Stichting Internationale Orde van Hospitaalbroeders (The Foundation), located at the Gasthuisvest 13, Haarlem, is a charity which raises funds primarily for health services in developing countries, especially in Africa. The Foundation is part of the Hospitaller Order of Saint John of God, which was founded 500 years ago and is active in 50 countries worldwide.

#### **STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES**

The Trustees require financial statements to be prepared for each financial year in accordance with the accounting policies of The Foundation. The financial statements are to give a true and fair view of the state of affairs of The Foundation and the result of The Foundation in that period.

Accordingly, the Trustees must ensure that in the preparation of the financial statements;

- suitable accounting policies are selected and then applied consistently;
- responsible and prudent judgements and estimates are made;
- material departures from applicable accounting standards are disclosed and explained; and
- Financial statements are prepared on the going concern basis unless it is inappropriate to presume that The Foundation will continue.

The Trustees are responsible for keeping proper books of accounts which disclose with reasonable accuracy at any time the financial position of The Foundation. They are also responsible for safeguarding the assets of The Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **BOOKS OF ACCOUNT**

The measures taken by the Trustees to secure compliance with its 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 Stichting Internationale Orde van Hospitaalbroeders, located at the Gasthuisvest 13, Haarlem.

#### **LEGAL STATUS**

The Foundation is a stichting in accordance with article 24 sub 4 of the Successiewet 1956. Hospitaalbroeders are also registered at the Chamber of Commerce in Haarlem at number 41058935.

#### **RESULTS**

The result for the year is disclosed on page 7.

#### **FUTURE DEVELOPMENTS**

The Foundation incurred additional increased expense in the current year to build up a base of donors. The increase in donors will lead to increase income in 2007 and future years.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The decrease of support from donors is considered to be the principal risk.

#### **SUBSEQUENT EVENTS**

There were no subsequent events for disclosure.

#### **AUDITORS**

The auditors, Arenthals Grant Thornton, will be re-appointed in accordance with the resolution of The Trustees.

#### **On behalf of the Trustees**

**Voorzitter (Chairperson)**

Date: 15-11-2007

**Penningmeester (Treasurer)**

Date: 15-11-2007

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Signed by  
Michael Kearns

Signed by  
John Lennon

## Stichting Internationale Orde van Hospitaalbroeders, Haarlem

## BALANCE SHEET AS AT 31 DECEMBER 2006

(before appropriation of surplus)

ASSETS	31 Dec 2006		31 Dec 2005	
	€	€	€	€
<b>Current assets</b>				
Debtors	2.832		5.644	
Cash at bank	172.186		267.785	
		175.018		273.429
		<u>175.018</u>		<u>273.429</u>
		<u>175.018</u>		<u>273.429</u>
<b>LIABILITIES</b>				
<b>Capital</b>				
Surplus		145.932		8.578
<b>Short-term liabilities</b>		29.086		264.851
		<u>175.018</u>		<u>273.429</u>

Signed by Michael Kearns  
Voorzitter (Chairperson)

Date: 15-11-2007

Signed by John Lennon  
Penningmeester (Treasurer)

Date: 15-11-2007

## Stichting Internationale Orde van Hospitaalbroeders, Haarlem

## INCOME AND EXPENDITURE FOR THE YEAR 2006

	2006		2005	
	€	€	€	€
<b>Donation revenue</b>		506.461		517.558
Support from "Hospitaller Order of Saint John of God"		180.169		-
		<u>686.630</u>		<u>517.558</u>
<b>Costs</b>				
Expenses for projects	98.069		246.613	
Employment costs	28.743		23.817	
Other operating expenses	422.771		238.636	
		<u>549.583</u>		<u>509.066</u>
<b>Operating result</b>		<u>137.047</u>		<u>8.492</u>
Other interest and similar income		307		86
<b>Result on ordinary activities</b>		<u>137.354</u>		<u>8.578</u>
Taxation on result of ordinary activities		-		-
<b>Result</b>		<u><u>137.354</u></u>		<u><u>8.578</u></u>

Signed by Michael Kearns  
Voorzitter (Chairperson)

Date: 15-11-2007

Signed by John Lennon  
Penningmeester (Treasurer)

Date: 15-11-2007

## NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2006

## GENERAL

**Accounting principles**

The financial statements are based on historical costs. Assets and liabilities are stated at face value, unless stated otherwise.

Surplus are recognized in the year of realization; deficits are taken into account when foreseeable.

The accounting principles are explained in the notes to the balance sheet.

## CURRENT ASSETS

**Receivables**

	31 Dec 2006	31 Dec 2005
	€	€
Other receivables	1.406	4.218
Prepayments and accrued income	1.426	1.426
	<u>2.832</u>	<u>5.644</u>

**Other receivables**

Prepayments KPMG	<u>1.406</u>	<u>4.218</u>
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**Prepayments and accrued income**

Prepayments creditors	<u>1.426</u>	<u>1.426</u>
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**Stichting Internationale Orde van Hospitaalbroeders, Haarlem****Cash at bank**

	31 Dec 2006	31 Dec 2005
	€	€
ABN AMRO Bank N.V. 41.45.42.940	67.626	174.503
ABN AMRO Bank N.V. 41.45.42.169	6.089	1.011
ABN AMRO Bank N.V. 49.37.62.930	25.203	26.137
Rabobank 3844.21.733	73.268	66.134
	<u>172.186</u>	<u>267.785</u>

**Capital and reserves****Surplus**

	2006	2005
	€	€
Balance as at 1 January	8.578	-
Surplus	137.354	8.578
Balance as at 31 December	<u>145.932</u>	<u>8.578</u>

**Short-term liabilities**

	31 Dec 2006	31 Dec 2005
	€	€
Creditors	18.522	259.161
Taxation and social security	564	690
Accruals and deferred income	10.000	5.000
	<u>29.086</u>	<u>264.851</u>

**Stichting Internationale Orde van Hospitaalbroeders, Haarlem****Trade creditors**

	<u>31 Dec 2006</u>	<u>31 Dec 2005</u>
	€	€
Creditor	18.522	7.013
Creditor "Hospitaller Order of St. John of God"	-	252.148
	<u>18.522</u>	<u>259.161</u>

**Taxation and social security**

Social security premiums	<u>564</u>	<u>690</u>
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**Accruals and deferred income**

Auditor's fee	<u>10.000</u>	<u>5.000</u>
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**Contingent liabilities****Long-term financial commitments**

The company entered into a rental commitment of approximately € 10.000 a year.

**Stichting Internationale Orde van Hospitaalbroeders, Haarlem****NOTES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR 2006****GENERAL**

Results are recognized as the difference between the realizable value of the delivered performances and services on the one hand and expenses and other charges on the other hand, valued at historical cost and taken into account the other accounting principles as mentioned on page 8.

**Donation revenue**

Revenue decreased in 2006 compared to 2005 with 2,1 %.

	2006	2005
	€	€
Donation revenue	506.461	517.558
Support from "Hospitaller Order of St. John of God"	180.169	-
<b>Work contracted and other external expenses</b>		
Expenses for projects	98.069	246.613
<b>Employment costs</b>		
Wages and salaries	25.195	20.645
Social charges	3.548	3.172
	28.743	23.817

**Stichting Internationale Orde van Hospitaalbroeders, Haarlem***Wages and salaries*

	2006	2005
	€	€
Wages and salaries	23.396	19.148
Movement holiday allowance	1.799	1.497
	<u>25.195</u>	<u>20.645</u>

*Social charges*

Social security premiums	<u>3.548</u>	<u>3.172</u>
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**Employees**

During the financial year 2006 the number of parttime staff employed by the company was 4 (Average FTE: 1) (2005: 3 (Average FTE: 1)).

**Other operating expenses**

Accommodation expenses	15.582	17.035
Office expenses	31.205	44.414
General expenses	15.429	21.214
Selling expenses prospective donors	274.991	39.575
Selling expenses existing donors	85.564	116.398
	<u>422.771</u>	<u>238.636</u>

## Stichting Internationale Orde van Hospitaalbroeders, Haarlem

*Accommodation expenses*

	2006	2005
	€	€
Rent	13.481	14.459
Gas, electricity and water	670	980
Repair and maintenance	1.336	1.336
Property tax	106	103
Insurance	-11	157
	<u>15.582</u>	<u>17.035</u>

*Office expenses*

Office supplies	-	3.334
Database software costs	29.548	39.174
Telephone and telefax	1.563	1.428
Postage	-	351
Contributions and subscriptions	10	127
Other office supplies	84	-
	<u>31.205</u>	<u>44.414</u>

*General expenses*

Auditor's fee	5.000	5.000
Administration fee	1.226	3.688
Notarial fee	60	4.209
Bank charges	6.877	4.939
Other general expenses	2.266	3.378
	<u>15.429</u>	<u>21.214</u>

*Selling expenses prospective donors*

Canvassing	166.935	17.796
Prospect mailing expenses	108.056	21.779
	<u>274.991</u>	<u>39.575</u>

**Stichting Internationale Orde van Hospitaalbroeders, Haarlem***Selling expenses existing donors*

	<u>2006</u>	<u>2005</u>
	€	€
Mailing expenses	63.951	114.486
Consultancy costs	21.420	-
Representation costs	-	865
Travel and accomodation	193	1.047
	<u>85.564</u>	<u>116.398</u>

**Financial income and expenses**

Interest bankers	<u>307</u>	<u>86</u>
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**Stichting Internationale Orde van Hospitaalbroeders, Haarlem**

To: Stichting Internationale Orde van Hospitaalbroeders

**AUDITOR'S REPORT**

**Report on the financial statements**

We have audited the accompanying financial statements 2006 of Stichting Internationale Orde van Hospitaalbroeders, Haarlem, which comprise the balance sheet as at 31 December, 2006, the income and expenditure account for the year then ended and the notes.

*Management's responsibility*

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with the Dutch General Excepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Stichting Internationale Orde van Hospitaalbroeders as at 31 December, 2006, and of its result for the year then ended in accordance with the Dutch General Excepted Accounting Principles.

15 November, 2007

Arenthals Grant Thornton Accountants en Adviseurs B.V.

Signed by  
W.A. van Es  
Registeraccountant

## Stichting Internationale Orde van Hospitaalbroeders

### TRUSTEES OTHER INFORMATION

#### Trustees

Michael Kearns  
Patrick McCrory  
Bernard Larkin  
John Shannon  
John Lennon

#### Bankers

ABN-AMRO  
Houtplein  
Postbus 5  
2000 MB Haarlem

Rabobank  
Dreef 40  
2012 HS Haarlem

#### Auditors

Arenthals Grant Thornton  
Postbus 2154  
2301 CD LEIDEN