

Operation Smile Ireland
Annual Report and Financial Statements
for the financial year ended 30 June 2020

**Operation Smile Ireland
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**Operation Smile Ireland
Directors and Other Information**

| | |
|---|--|
| Directors | Teresa Cosgrove Jack O'Keeffe David Orr Mary Martin Lucy Nugent (Appointed 03 March 2020) Patrick Millar (Appointed 03 March 2020) Rory Sheridan (Appointed 07 October 2019) Ruth Farrell (Resigned 20 November 2019) Eleanor McGovern (Resigned 20 November 2019) |
| Company Secretary | Teresa Cosgrove |
| Company Number | 380841 |
| Charity Number | CHY15661 |
| Registered Office and Business Address | 31 Pembroke Road Dublin 4 |
| Auditors | BDO Registered Auditors (AI223876) 103/104 O'Connell Street Limerick |
| Bankers | Allied Irish Bank 52 Upper Baggott Street Dublin 4 |

Operation Smile Ireland

Directors' Report

for the financial year ended 30 June 2020

The directors present their report and the audited financial statements for the financial year ended 30 June 2020.

Principal Activity and Review of the Business

As part of a global alliance of foundations and chapters, Operations Smile Ireland raises awareness, funds and recruits medical volunteers to support the breadth of Operation Smile's global medical programmes.

Our Vision and Mission

Operation Smile believes that every child suffering from cleft lip or cleft palate deserves exceptional surgical care. Operation Smile is a children's medical charity that has a presence in more than 60 countries to provide free, safe treatment and surgery for those who suffer from facial deformities such as cleft lip, cleft palate and other surgically amenable conditions. The organisation works to build self-sufficiency and sustainable health care infrastructures in our host countries. To do this, Operation Smile trains local doctors to treat children in their own communities, donates crucial medical equipment and supplies, builds public-private partnerships and creates and mentors in-country foundations to increase capacity. Operation Smile is committed to raising public awareness, educating and serving as an advocate for the children with cleft lip and cleft palate and the need for safe, well-timed and effective surgery. Through partnerships, Operation Smile is conducting research to ultimately help prevent the number of new children born with clefts by identifying the root causes. By inspiring action and leadership, the organisation has mobilised thousands of volunteers from more than 80 countries and hundreds of student clubs and associations around the world. Operation Smile educates and encourages communities to spread awareness and strengthen understanding about cleft conditions, treatment and the effect one person can make by taking action.

The Company is limited by guarantee not having a share capital.

Review of Developments, Activities and Achievements - Bill and Kathy Magee, Co-Founders, Operation Smile

The most powerful aspect of human dignity is the ability to act on one's will and transform dreams into reality. Time after time, we've witnessed this transformation when we reconnect with our patients after they've healed. Now free from social stigma, isolation and feelings of hopelessness, they are free to become part of the fabric of their communities. The resulting interaction opens up opportunities - personally, emotionally and financially - that would have never been possible without receiving surgery. When our work is viewed through this lens, our vision to provide the highest quality of care to as many patients as possible becomes even clearer. However, there are still billions of people who lack access to safe, well-timed and effective surgical care. We view this as a heart-wrenching tragedy and a grave social injustice. Everything we do strives to correct this vast inequality.

Review of Developments, Activities and Achievements - Operation Smile Ireland

COVID-19 has changed the world in ways we could not have imagined before it arrived. In March 2020, we decided to delay our global programmes for the months ahead to keep patients, families, volunteers, and staff and their communities safe. Many of our kind and courageous medical volunteers joined their colleagues on the front lines. Our teams created new opportunities for the virtual training and education of health workers around the world. And eventually – wherever possible – we continued to providing life-saving cleft surgeries. Amid pain and uncertainty, we united behind three words: Caring never stops. Our teams around the world proved just that.

As the pandemic challenged health workers everywhere, we knew that we still had a responsibility to help. With hospitals unable to meet the sudden demand, supplies of PPE (personal protective equipment) were rapidly consumed as COVID-19 spread. We quickly provided hospitals around the world with units of PPE including face masks, surgical gloves, face shields, goggles, hand sanitizer and more to fortify the front-line staff. Following the evidence as guided by the medical experts and top scientists, our medical leadership bolstered our already-stringent infection protection standards to create the safest possible environments for our patients, families, volunteers, and staff.

Working with partner organizations, we helped distribute oxygen concentrators and pulse oximeters across Africa, thereby improving intensive care units. We also delivered online life support training and educational seminars that helped health workers in low-and middle-income countries rise to the challenge.

At the same time, we kept the health and well-being of families affected by cleft lip and cleft palate close to our hearts. Due to lockdowns and travel restrictions, many families struggled to feed their loved ones and protect themselves against the spread of the virus. Untreated cleft conditions can also put children at a higher risk of becoming sick. We knew we needed to reach as many families as we could.

Operation Smile Ireland

Directors' Report

for the financial year ended 30 June 2020

Caring Never Stops, even during a pandemic, children across our world are still being born every 3 minutes with a cleft lip and/or cleft palate. The immense need for safe surgical care for people living with cleft lip and cleft palate kept us focused. We mobilized and pushed forward to continue our commitment to the children and families that we serve. Our teams continued to work hard to support the fight against the pandemic.

This display of commitment has fortified our relationships with governments and their ministries of health, as they have trusted Operation Smile to help them in their time of need. We listened to the countries we serve and went beyond the traditional scope of our service, funding food programs for families in need, sending millions of pieces of personal protection equipment to health care workers, and providing patients with essential virtual speech therapy and psychosocial counselling. All of this allowed our patients to be healthy and ready for surgery as the pandemic subsides and it is once again safe to be by their sides.

Around the world, Operation Smile volunteers and staff rallied to help hard-hit communities. In Madagascar, our team put together packages of food, hand-washing supplies and washable masks and safely delivered them to families. Teams around the world led similar efforts, providing ready-to-use therapeutic food (RUTF) in response to COVID-19, a nutrient-rich peanut paste, to help children suffering from malnutrition grow healthy enough for surgery.

Our impact before the pandemic, we conducted 111 medical programmes across 74 sites in 29 countries. Of that total, 80 medical missions were conducted by a majority of local medical volunteers who are elevating their countries' standards of cleft surgery and comprehensive care for the long term. Medical programmes extended to three new medical mission sites in China, Mozambique, and Russia.

Operation Smile operates 31 care centres in 19 countries providing year-round medical services. At our care centres, we are providing multidisciplinary cleft care that is more accessible to patients, allowing them to get a care closer to home when they need it.

We provided more than 15,100 patients with surgery and dental care at medical programmes and care centres in 31 countries last year.

We are proud that 78% of the medical volunteer positions filled on our medical missions in 2020 were held by health care professionals from low- and middle- income countries; a majority of whom received training and education from Operation Smile.

We continue to open surgical care in our countries and in-person care while taking stringent measures to keep families safe. Hope is on the horizon. And we remain focused on what cleft care makes possible for children, helping them to better breathe, eat, speak, and live with confidence.

Principal Risks and Uncertainties

The directors are aware of the principal risks and uncertainties to which the company is exposed and in particular of those related to the operations and finances of the company. The directors are satisfied that the company has suitable controls in place to mitigate the company's exposure to those principal risks and uncertainties.

Financial Results

The surplus for the financial year after providing for depreciation amounted to €2,528 (2019 - €1,364).

At the end of the financial year, the company has assets of €93,415 (2019 - €161,170) and liabilities of €16,446 (2019 - €16,729). The net assets of the company have increased by €2,528.

Taxation Status

Operation Smile Ireland has been granted charitable status under Section 848A of the Taxes Consolidation Act 1997.

Research and Development

The company did not enter into any research and development activities during the year.

Operation Smile Ireland

Directors' Report

for the financial year ended 30 June 2020

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Teresa Cosgrove
Jack O'Keeffe
David Orr
Mary Martin
Lucy Nugent (Appointed 03 March 2020)
Patrick Millar (Appointed 03 March 2020)
Rory Sheridan (Appointed 07 October 2019)
Ruth Farrell (Resigned 20 November 2019)
Eleanor McGovern (Resigned 20 November 2019)

The secretary who served throughout the financial year was Teresa Cosgrove.

In accordance with the Constitution, the directors retire by rotation and, being eligible, offer themselves for re-election.

Future Developments

The company plans to continue its present activities and current trading levels.

Post Balance Sheet Events

There have been no significant events affecting the company since the financial year-end. The directors are continuously monitoring developments in relation to COVID-19 and assessing the potential impact of the pandemic on the company. At present, it does not appear that this impact will be significant.

Political Contributions

The company did not make any disclosable political donations in the current financial year.

Auditors

The auditors, BDO, (Registered Auditors (AI223876)) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at 31 Pembroke Road, Dublin 4.

Signed on behalf of the board



Teresa Cosgrove
Director



Jack O'Keeffe
Director

Date: 27/05/2021

Date: 27/05/2021

Operation Smile Ireland
Directors' Responsibilities Statement
for the financial year ended 30 June 2020

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with 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. 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 surplus or deficit 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 accounting 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 surplus or deficit 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 readily and properly 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the board



Teresa Cosgrove
Director



Jack O'Keeffe
Director

Date: 27/05/2021

Date: 27/05/2021

Independent Auditor's Report to the Members of Operation Smile Ireland

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Operation Smile Ireland ('the company') for the financial year ended 30 June 2020 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 30 June 2020 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 the 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 annual report 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 course of 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.

Independent Auditor's Report to the Members of Operation Smile Ireland

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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. In our opinion the financial statements are in agreement with the accounting records.

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 any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they 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 management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

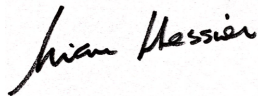
Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. The description forms part of our Auditor's Report.

**Independent Auditor's Report to the Members
of Operation Smile Ireland****The purpose of our audit work and to whom we owe our responsibilities**

Our 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 any 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.



Liam Hession
for and on behalf of
BDORegistered Auditors (AI223876)
103/104 O'Connell Street
Limerick**Date:** 27/05/2021

Operation Smile Ireland
Income and Expenditure Account
for the financial year ended 30 June 2020

| | Notes | 2020 € | 2019 € |
|---|-----------|------------------|-----------|
| Income | 5 | 250,911 | 168,671 |
| Cost of generating voluntary income | 6 | (110,985) | (67,598) |
| Net income resources | | 139,926 | 101,073 |
| Resources expended | | | |
| Direct charitable expenditure | 7 | (6,165) | (49,934) |
| Managing and administering the charity | 8 | (115,398) | (61,567) |
| Total resources expended | | (121,563) | (111,501) |
| Other operating income | 5 | 14,142 | 11,767 |
| Interest receivable and similar income | 10 | 23 | 25 |
| Surplus for the financial year | 17 | 32,528 | 1,364 |
| Retained surplus brought forward | | 144,441 | 143,077 |
| Retained surplus carried forward | | 176,969 | 144,441 |

Operation Smile Ireland
Balance Sheet
as at 30 June 2020

| | Notes | 2020 € | 2019 € |
|---|-------|-----------------|-----------------|
| Current Assets | | | |
| Debtors | 13 | 1,562 | 1,582 |
| Cash and cash equivalents | | 191,853 | 159,588 |
| | | <u>193,415</u> | <u>161,170</u> |
| Creditors: Amounts falling due within one year | 14 | <u>(16,446)</u> | <u>(16,729)</u> |
| Net Current Assets | | <u>176,969</u> | <u>144,441</u> |
| Total Assets less Current Liabilities | | <u>176,969</u> | <u>144,441</u> |
| Reserves | | | |
| Income and expenditure account | 17 | 176,969 | 144,441 |
| Equity attributable to owners of the company | | <u>176,969</u> | <u>144,441</u> |

Approved by the board on 27/05/2021 and signed on its behalf by:



Teresa Cosgrove
Director



Jack O'Keeffe
Director

Operation Smile Ireland
Statement of Cash Flows
for the financial year ended 30 June 2020

| | Notes | 2020 € | 2019 € |
|---|-----------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Surplus for the financial year | | 32,528 | 1,364 |
| Adjustments for: | | | |
| Interest receivable and similar income | | (23) | (25) |
| Depreciation | | - | 149 |
| | | <u>32,505</u> | <u>1,488</u> |
| Movements in working capital: | | | |
| Movement in debtors | | 20 | 238 |
| Movement in creditors | | (283) | 15 |
| | | <u>32,242</u> | <u>1,741</u> |
| Cash flows from investing activities | | | |
| Interest received | | 23 | 25 |
| | | <u>32,265</u> | <u>1,766</u> |
| Net increase in cash and cash equivalents | | 32,265 | 1,766 |
| Cash and cash equivalents at beginning of financial year | | 159,588 | 157,822 |
| | | <u>159,588</u> | <u>157,822</u> |
| Cash and cash equivalents at end of financial year | 21 | 191,853 | 159,588 |
| | | <u><u>191,853</u></u> | <u><u>159,588</u></u> |

Operation Smile Ireland
Notes to the Financial Statements
for the financial year ended 30 June 2020

1. General Information

The financial statements comprising the Income and Expenditure Accounts, the Balance Sheet, the statement of cashflows and the related notes constitute the individual financial statements of Operation Smile Ireland (a company limited by guarantee, without a share capital) for the financial year ended 30 June 2020.

Operation Smile Ireland is a company limited by guarantee incorporated in the Republic of Ireland. The registered number of the company is 380841. 31 Pembroke Road, Dublin 4 is the registered office, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 30 June 2020 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a large company as defined by section 280H of the Companies Act 2014 in respect of the financial year.

Income

Income is credited to the Income and Expenditure Account in the year to which it relates. The income of the organisation includes donations and fundraising funds, over which control is exercised when received by the company.

Retained earnings

The directors have decided to disclose the changes in retained earnings in the Income and Expenditure Account.

Resources expended

Resources expended are analysed between fundraising and publicity costs and the costs of managing and administering the charity.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

| | |
|----------------------------------|-----------------------|
| Fixtures, fittings and equipment | - 12.5% straight line |
|----------------------------------|-----------------------|

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation

The company has been granted charitable status under Section 848A of the Taxes Consolidation Act 1997 and consequently it does not incur a corporation tax charge.

3. Significant Accounting Judgements and Key Sources of Estimation Uncertainty

The directors consider the accounting estimates and assumptions below to be the company's critical accounting estimates and judgements:

Going concern

The directors have reviewed the financial position of the company for a period of at least twelve months from the date of the approval of the financial statements and are satisfied that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. This assessment includes a review of the impact of the COVID-19 pandemic on the company's operations. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

Useful lives of tangible fixed assets

Long-lived assets comprising primarily tangible fixed assets represent a significant portion of total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in useful lives can have a significant impact on the depreciation charge for the financial year.

4. Departure from Companies Act 2014 Presentation

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

5. Income

The income for the financial year has been derived from:-

| | 2020 | 2019 |
|---------------------------------|----------------|---------|
| | € | € |
| Activities for generating funds | 240,135 | 163,307 |
| Student programmes | 9,206 | 4,039 |
| Operation Smile International | 1,570 | 1,325 |
| Other operating income | 14,142 | 11,767 |
| | 265,053 | 180,438 |

The whole of the company's income is attributable to its market in the Republic of Ireland and is derived in accordance with the company's aims and policies. Other operating income relates to tax refunds received under the Charitable Donations Scheme.

Operation Smile Ireland
Notes to the Financial Statements
for the financial year ended 30 June 2020

continued

| | | |
|---|-----------------------|----------------------|
| 6. Cost of Generating Voluntary Income | 2020 | 2019 |
| | € | € |
| Fundraising and publicity | 110,985 | 67,598 |
| | <u><u>110,985</u></u> | <u><u>67,598</u></u> |
| 7. Direct Charitable Expenditure | 2020 | 2019 |
| | € | € |
| Student programme - educational development | - | 15,925 |
| International medical missions - volunteer expenses | 6,165 | 25,993 |
| Purchase of computer equipment | - | 8,016 |
| | <u><u>6,165</u></u> | <u><u>49,934</u></u> |
| 8. Managing and Administering the Charity | 2020 | 2019 |
| | € | € |
| Staff costs (see note 11) | 56,345 | 20,206 |
| Rent payable | 15,750 | 15,750 |
| Insurance | 2,671 | 3,108 |
| Light and heat | 2,076 | 4,022 |
| Printing, postage and stationery | 6,363 | 9,872 |
| Advertising | 14,011 | 370 |
| Telephone | 3,844 | 5,330 |
| Bank charges | 1,680 | 1,051 |
| Other expenses | 12,658 | 1,709 |
| Depreciation | - | 149 |
| | <u><u>115,398</u></u> | <u><u>61,567</u></u> |
| 9. Operating Surplus | 2020 | 2019 |
| | € | € |
| Operating surplus is stated after charging: | | |
| Depreciation of tangible fixed assets | - | 149 |
| | <u><u>-</u></u> | <u><u>149</u></u> |
| 10. Interest Receivable and Similar Income | 2020 | 2019 |
| | € | € |
| Bank interest | 23 | 25 |
| | <u><u>23</u></u> | <u><u>25</u></u> |

11. Employees and Remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

| | 2020 | 2019 |
|---------------------------|----------------------|---------------|
| | Number | Number |
| Administration | <u>4</u> | <u>2</u> |
| The staff costs comprise: | 2020 | 2019 |
| | € | € |
| Wages and salaries | 51,316 | 18,946 |
| Social welfare costs | 5,029 | 1,260 |
| | <u>56,345</u> | <u>20,206</u> |

12. Tangible Fixed Assets

| | Fixtures, fittings and equipment | Total |
|-----------------------|---|-----------------|
| | € | € |
| Cost | | |
| At 1 July 2019 | 21,812 | 21,812 |
| At 30 June 2020 | <u>21,812</u> | <u>21,812</u> |
| Depreciation | | |
| At 1 July 2019 | <u>21,812</u> | <u>21,812</u> |
| At 30 June 2020 | <u>21,812</u> | <u>21,812</u> |
| Net book value | | |
| At 30 June 2020 | <u><u>-</u></u> | <u><u>-</u></u> |

13. Debtors

| | 2020 | 2019 |
|-------------|---------------------|--------------|
| | € | € |
| Prepayments | <u>1,562</u> | <u>1,582</u> |

All debtors are due within one year.

Operation Smile Ireland
Notes to the Financial Statements
for the financial year ended 30 June 2020

continued

| | | |
|--|----------------------|---------------|
| 14. Creditors | 2020 | 2019 |
| Amounts falling due within one year | € | € |
| Taxation (Note 15) | 216 | 105 |
| Other creditors | 1,643 | 2,037 |
| Accruals | 14,587 | 14,587 |
| | <u>16,446</u> | <u>16,729</u> |

The terms of the accruals are based on the underlying contracts.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

| | | |
|---------------------|-------------------|------------|
| 15. Taxation | 2020 | 2019 |
| | € | € |
| Creditors: | | |
| PAYE | <u>216</u> | <u>105</u> |

Tax and social security are subject to the terms of the relevant legislation. Interest accrues on late payment of PAYE at the rate of 0.0274% per day. No interest was due at the financial year end date.

16. Status

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding €1.

17. Income and Expenditure Account

| | | |
|--------------------------------|-----------------------|----------------|
| | 2020 | 2019 |
| | € | € |
| At 1 July 2019 | 144,441 | 143,077 |
| Surplus for the financial year | 32,528 | 1,364 |
| At 30 June 2020 | <u>176,969</u> | <u>144,441</u> |

18. Capital Commitments

The company had no material capital commitments at the financial year-ended 30 June 2020.

19. Directors' Remuneration

The directors constitute the company's key management personnel and did not receive a compensation for services provided during the year.

20. Post-Balance Sheet Events

There have been no significant events affecting the company since the financial year-end. The directors are continuously monitoring developments in relation to COVID-19 and assessing the potential impact of the pandemic on the company. At present, it does not appear that this impact will be significant.

Operation Smile Ireland
Notes to the Financial Statements
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continued

| | | |
|---|----------------|---------|
| 21. Cash and Cash Equivalents | 2020 | 2019 |
| | € | € |
| Cash and bank balances | 75,686 | 43,444 |
| Cash equivalents | 116,167 | 116,144 |
| | 191,853 | 159,588 |
| | | |
| 22. Financial Instruments | 2020 | 2019 |
| | € | € |
| Financial assets that are debt instruments measured at amortised cost | 191,853 | 159,588 |

Financial assets that are debt instruments measured at amortised cost comprise cash and cash equivalents.

23. Approval of Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 27/05/2021.