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AH Breast Cancer Ireland Limited

Directors' Report and Financial Statements

Year Ended 30 September 2014

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DIRECTORS AND OTHER INFORMATION

Board of Directors

Prof Arnold K Hill
Barry Flannery
Paul Gallagher

Solicitors

Vincent & Beatty Solicitors
67/68 Fitzwilliam Square
Dublin 2
Ireland

Secretary and Registered Office

Aisling Hurley
123 St Stephen's Green
Dublin 2
Ireland

Principal Bankers

Allied Irish Bank (Ireland)
KBC Bank (Ireland)

Registered Number: 517289

Registered Charity Number: CHY19926

Auditors

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

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of AH Breast Cancer Ireland Limited ('the Organisation', 'BCI') for the year ended 30 September 2014. The directors present their annual report and the audited financial statements for the year ended 30 September 2014. As the Organisation does not trade for the acquisition of gain by its members, the directors are of the opinion that the Organisation is exempt from the provisions of the Companies (Amendment) Act, 1986 under Section 2(1) of that Act.

Directors' responsibilities for financial statements

The Organisation is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Acts 1963 to 2013 and although not obliged to comply with the Statement of Recommended Practice (SORP) as issued by the Charity Commissioners for England and Wales in October 2005 the Organisation has implemented many of its recommendations in these financial statements. All activities of the Organisation are charitable.

BCI is a company limited by guarantee, not having a share capital, incorporated in Ireland on 6 September 2012 under the Companies Acts 1963 to 2013, registered number 517289.

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law. Irish law requires the directors to prepare financial statements for each year giving a true and fair view of the state of the Organisation's affairs at the end of the financial year and of the net incoming or net outgoing resources for the financial year. Under the law the directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland).

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 Organisation will continue in business.

The directors are responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the Organisation and to enable them to ensure that the financial statements are properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013. They are also responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objects and activities

BCI is a charity established to raise significant funding to support pioneering research into breast cancer, as well as provide education and awareness on the importance of breast health amongst women of all ages.

The overall mission at BCI is to seek to transform breast cancer from often being a fatal disease, to a chronic illness that can be maintained long term through treatment.

Investment in research is critical towards achieving this vision and to date funds raised support some of the following:

- Creation of the country's first National Breast Cancer Bio Resource and Patient Profiling Centre, with collaboration amongst each of the eight designated cancer centres in Ireland.
- Recruitment and retention of leading cancer research scientists.
- Support for a new state of the art proposed clinical research facility.
- Provision of medical student research training.
- Provision of state of the art laboratory equipment and consumables.
- Development of awareness campaigns targeted at women of all ages.

Our ambition at BCI is two fold:

- To improve patient outcomes by speeding up research discovery.
- To promote and encourage women of all ages to be more breast aware as earlier detection leads to a more positive treatment outcome.

DIRECTORS' REPORT - continued

Books of account

The measures taken by the directors to secure compliance with the Organisation'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 the registered office of the Organisation.

Results

The net incoming resources for the year and the appropriation thereof are set out in the Statement of Financial Activities on page 8. Net incoming resources for the year amount to €0.3m. The total Organisation funds of €2.6m on page 9 includes an amount of €2.1m which was transferred in the prior year from the Royal College of Surgeons in Ireland (RCSI) representing the amount of the total funds accumulated by BCI from 2006 to 6 September 2012. These funds have been designated by the directors towards the establishment of a new centre of excellence in breast cancer and treatment.

In the current year ended 30 September 2014, BCI has raised €1.23m in funds to support its ongoing research efforts and its education and awareness objectives. Promotion of activities such as our raffles, the Great Pink Run and our Strictly Against Breast Cancer event not only encourage participation but also heighten awareness on the importance of breast health. BCI endeavours to have all of its event costs covered through sponsorship so that funds raised through table sales, entry fees etc. go directly to support on-going research and awareness efforts nationally. This year saw increased alliances developed within the corporate sector in terms of fundraising and partnership where staff got actively behind BCI both in terms of funding and raising the charities profile.

BCI continues to support the work of our specialist breast research nurses in each of the designated cancer centres including Cork, Limerick, Waterford and Beaumont Hospital in Dublin. Their collaborative work in collecting and collating breast cancer tissue and serum samples into one large centralised resource is proving invaluable to clinicians and scientists nationally and is steadily reducing our discovery times – ultimately affecting better treatment outcomes for patients.

BCI has committed a grant of €1 million over the next five years (2014-2019) for the establishment of the Breast Cancer Ireland Research Centre which will look after the collection and collation of patient samples; ongoing investigative research within the laboratories; medical student research training and support for publications in highly acclaimed international peer reviewed journals.

In addition, BCI is committed to purchasing the first Intra Operative Radiotherapy device which will extend initial surgery time by twenty minutes and remove the need for the patient to return to the Hospital for five consecutive weeks of radiotherapy – this will be hugely beneficial psychologically for patients involved.

Directors

The names of the persons who were directors at any time during the year ended 30 September 2014 are set out below. Unless indicated otherwise they served as directors for the entire year.

Prof Arnold K Hill
Barry Flannery
Paul Gallagher

Principal risks and uncertainties

The directors recognise that the principal risks and uncertainties faced by the charity are similar to those faced by other charities whose principal source of income is fundraising. These risks include risks to income, ability to fund research, promote awareness and risks to BCI's reputation.

DIRECTORS' REPORT - continued

Auditors

The Auditors, PricewaterhouseCoopers, will be re-appointed in accordance with Section 160 (2) of the Companies Act, 1963.

Post balance sheet events

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

On behalf of the board

Prof Arnold K Hill



Barry Flannery



Date:

17/4/2015



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AH BREAST CANCER IRELAND LIMITED

We have audited the financial statements of AH Breast Cancer Ireland Limited for the year ended 30 September 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, 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 these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify and information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 30 September 2014 and of its net incoming resources for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AH BREAST CANCER
IRELAND LIMITED - continued**

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations which 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 Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

A handwritten signature in cursive script that reads 'Teresa Harrington'.

**Teresa Harrington
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin**

17 April 2015

STATEMENT OF FINANCIAL ACTIVITIES
Year Ended 30 September 2014

		Year ended 30 September 2014 € €'000	Period from 6 September 2012 to 30 September 2013 €'000
	Notes		
Incoming resources			
Donations and fundraising income – reserve	2	-	2,073
Donations and fundraising income – current year	2	<u>1,231</u>	<u>1,305</u>
Total incoming resources		<u>1,231</u>	<u>3,378</u>
Resources expended			
Charitable activities – research grants awarded	3(b)	304	371
Costs of generating funds	3(c)	529	478
Governance costs	3(d)	28	33
Other resources expended	3(e)	-	84
Irrecoverable VAT		<u>114</u>	<u>117</u>
Total resources expended		<u>975</u>	<u>1,083</u>
Net incoming resources		<u>256</u>	<u>2,295</u>

There is no difference between the net incoming resources for the year and its historical cost equivalent.

Incoming resources and net incoming resources arose solely from continuing operations.

On behalf of the board

Prof Arnold K Hill



Barry Flannery



BALANCE SHEET
As at 30 September 2014

	Notes	2014 €'000	2013 €'000
Fixed assets			
Tangible assets	7	<u>1</u>	<u>-</u>
		1	-
Current assets			
Debtors	8	48	346
Bank and cash	9	<u>3,997</u>	<u>2,512</u>
		4,045	2,858
Creditors (amounts falling due within one year)	10	<u>(1,495)</u>	<u>(563)</u>
Net assets		<u>2,551</u>	<u>2,295</u>
Unrestricted funds			
Designated funds		2,073	2,073
General funds		<u>478</u>	<u>222</u>
Total Organisation funds	11	<u>2,551</u>	<u>2,295</u>

On behalf of the board

Prof Arnold K Hill



Barry Flannery



Date:

17/4/2015

CASH FLOW STATEMENT
Year Ended 30 September 2014

	Notes	2014 €'000	2013 €'000
Net cash inflow from charitable activities	12	1,486	2,512
Capital expenditure	7	<u>(1)</u>	<u>-</u>
Increase in cash in the year	13	<u>1,485</u>	<u>2,512</u>

Prof Arnold K Hill



Barry Flannery



ACCOUNTING POLICIES

The significant accounting policies adopted by the Organisation are as follows:

Basis of preparation

AH Breast Cancer Ireland Limited is a company limited by guarantee (registered number 517289) and is a registered charity (charity number CHY19926). The Organisation, as a charity, is exempt from the reporting and disclosure requirements of the Companies (Amendment) Act, 1986.

The financial statements have been prepared on a going concern basis in accordance with the Companies Acts 1963 to 2013 and Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland).

The financial statements have been prepared under the going concern basis of accounting.

Basis of accounting

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

Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is calculated in order to write off fixed assets over the periods of their estimated useful lives, on a straight line basis at 20%.

Incoming resources

Incoming resources are recognised by inclusion in the Statement of Financial Activities only when the Organisation is legally entitled to the income, virtually certain of receipt and the amounts involved can be measured with sufficient reliability.

Donations and fundraising income – which consists of monetary donations from the public and from corporates, is recognised in the year in which the Organisation is entitled to the resource, when receipt is virtually certain, and when the amount can be measured with sufficient reliability. In the case of monetary donations from the public this income is generally recognised when the donations are received, with legacies it is when confirmation of unconditional entitlement to the bequest is received, whereas with tax refunds it is when all legislative requirements have been met and the amounts can be measured with reasonable certainty.

Resources expended

Resources expended are analysed between charitable activities (research grants allocated), costs of generating funds and governance costs. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Support costs, which cannot be attributed directly to one activity, are allocated to activities on the basis of time incurred as set out at note 3.

Taxation

No charge to current or deferred corporation taxation arises as the Organisation has been granted charitable tax exemption by the Revenue authorities in Ireland. Irrecoverable value added tax arising (VAT) in Ireland is expensed as incurred.

Reserves policy

The board of directors has examined the Organisation's requirement for reserves to deliver the aims and objectives of its strategic plan. The directors have established a policy whereby an amount of €2.1m of unrestricted funds accumulated by the Organisation in the year from its establishment in 2006 to 6 September 2012 has been designated as a 'building/development fund' towards the establishment of a new centre of excellence in breast cancer research and treatment.

The reserves funds held are expendable at the discretion of the board of directors in furtherance of the charity's objectives. On an annual basis the board of directors will review the level of reserves held, assess the current funds held and may designate some for other specific future expenditure within its strategic plan.

Grants and direct charitable donations

Grants and charitable donations are recognised in the financial statements when the related commitment to the third party is made. A commitment arises when the Organisation is under a legal or constructive obligation to make a transfer of value to a third party. Grants and donations are charged in the year in which the commitment is made.

NOTES TO THE FINANCIAL STATEMENTS

1 Ownership and operations

BCI is a company limited by guarantee and does not have a share capital.

The Organisation is precluded by its Memorandum of Association from paying a dividend either as part of normal operations or on distribution of the Organisation's assets in the event of it being wound up. All income must be applied solely towards the promotion of the research objectives of the Organisation.

The company is controlled by its members in accordance with its Memorandum and Articles of Association.

2 Incoming resources

In 2006, Professor Arnold K Hill established a fund to raise money to support breast cancer research programmes. The fund operated under the name "Breast Cancer Ireland" (BCI), an activity under the charity number of the Royal College of Surgeons in Ireland (RCSI).

As a result, the operations of BCI were recorded, administered and accounted for within the operations of RCSI in a separately identifiable fund account.

In September 2012, BCI was established as a separate legal entity; a company limited by guarantee with a board of directors and members. Consequently, the balance of net incoming resources at that date, totalling €2.1m was transferred by RCSI to BCI. This amount is included in incoming resources (donations and fundraising income) in the prior year and has been designated for the development of a new centre of excellence in breast cancer and treatment.

Donations and fundraising income of €1.2m, which consists of monetary donations from the public and from corporates, has been recognised in the current year based on the recognition criteria set out in the incoming resources accounting policy detailed on page 11 of the financial statements.

3 Resources expended

The resources expended on charitable activities include the direct costs of the charitable activities together with those support costs incurred that enable these activities to be undertaken. BCI receive occupancy, finance and administration facilities and services including fundraising services from Royal College of Surgeons in Ireland. These services are billed at cost, are based on actual facilities utilised and services incurred and are the subject of a service level and other agreements between the two parties.

As the activities of BCI are exempt from VAT, the Organisation cannot reclaim VAT on its input costs and as a result, irrecoverable VAT is shown separately in the Statement of Financial Activities.

(a) Support costs

Total support costs for the year amounted to €0.13m excluding irrecoverable VAT. Support costs include occupancy, finance, fundraising support and administration costs and have been allocated to the relevant direct cost category they support on the basis of % time incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Resources expended - continued

	Resources expended		Support costs	Total costs
	Total excl. VAT €'000	% of total time incurred €'000	Allocation excl. VAT €'000	
(a) Support costs - continued				
Cost category				
Charitable activities – research grants allocated, education and awareness	247	45%	57	304
Cost of generating funds	472	45%	57	529
Governance costs	15	10%	13	28
Other resources expended	-	0%	-	-
Total resources expended excluding VAT	<u>734</u>	<u>100%</u>	<u>127</u>	<u>861</u>
Irrecoverable VAT				<u>114</u>
Total resources expended				<u>975</u>

	Grants to institutions €'000	Education and awareness costs €'000	Allocation of support costs see note 3(a) €'000	Total €'000
(b) Charitable activities				
Donations to fund breast cancer research and education and awareness costs	<u>209</u>	<u>38</u>	<u>57</u>	<u>304</u>
	<u>209</u>	<u>38</u>	<u>57</u>	<u>304</u>

(c) Costs of generating funds	2014 €'000	2013 €'000
Printing and promotional activities	82	76
Fundraising and event management costs	390	334
IT and website costs	-	7
Subtotal	<u>472</u>	<u>417</u>
Allocation of support costs (see note 3(a))	<u>57</u>	<u>61</u>
Total	<u>529</u>	<u>478</u>

(d) Governance costs	2014 €'000	2013 €'000
Legal costs	1	7
Audit fees	5	5
Strategic advice	9	-
Subtotal	<u>15</u>	<u>18</u>
Allocation of support costs (see note 3(a))	<u>13</u>	<u>15</u>
Total	<u>28</u>	<u>33</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Resources expended - continued	2014	2013
	€'000	€'000
 (e) Other resources expended		
Inception costs	-	46
Allocation of support costs (see note 3(a))	-	38
Total	-	84
 (f) Net incoming resources		
	2014	2013
	€'000	€'000

The net incoming resources for the year is stated after charging:

Directors remuneration	-	-
Audit fees (inclusive of VAT)	6	6
	6	6

The directors of BCI received no remuneration for their services as directors or in any other capacity. No director or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

4 Research grant making policy

BCI funds breast cancer related research programmes nationally.

Grants are considered under the following headings:

- Recruitment of relevant research personnel at Fellowship, PhD and specialist level
- Support of relevant breast cancer research projects
- Support of relevant publications
- Support of relevant collaborative arrangements amongst the eight designated cancer centres and groups nationally
- Support for relevant capital development, laboratory equipment and consumables

Grants will be awarded annually in January and June. All recipients will be required to acknowledge Breast Cancer Ireland in any publications/literature and provide an end of project/annual report to the board of BCI, summarising the award designation, how funds were used and the benefit accruing.

5 Employment costs

BCI had one full time employee during the year and has entered into a service level and other agreement with RCSI for administration and fundraising support on an arm's length basis.

Staff costs for persons employed amounted to:

	2014	2013
	€'000	€'000
Salary	42	41
PRSI	5	4
	47	45

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Taxation

The Organisation has been granted charitable tax exemption by the Revenue Commissioners.

7 Tangible fixed assets

	Computer equipment €	Total €
Cost		
At 30 September 2013	-	-
Additions	1,776	1,776
At 30 September 2014	1,776	1,776
Accumulated depreciation		
At 30 September 2013	-	-
Charge for the year	395	395
At 30 September 2014	395	395
Net book amount		
At 30 September 2014	1,381	1,381
At 30 September 2013	-	-

8 Debtors - all due within one year

	2014 €'000	2013 €'000
Amounts owed by Royal College of Surgeons in Ireland	-	345
Accrued income	48	1
	48	346

9 Bank and cash

As explained in the Directors' Report, BCI plans to invest a significant amount of funds raised in order to provide a better clinical research infrastructure for breast cancer clinical trials, and as a result maintains a significant reserve on deposit.

In order to maximise return on cash holdings, BCI operate a policy of maintaining an optimal mix of cash on interest bearing deposit accounts.

10 Creditors - amounts falling due within one year

	2014 €'000	2013 €'000
Trade creditors	14	3
VAT	48	7
Amounts owed to Royal College of Surgeons in Ireland	675	-
Accruals and other creditors	758	553
	1,495	563

During December 2014, BCI made a payment of €1.4m to RCSI in relation to the intercompany and accrual balances owed to RCSI at the year ended 30 September 2014.

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Unrestricted funds	Designated funds €'000	General funds €'000	Total 2014 €'000
Total funds at beginning of year	2,073	222	2,295
Net incoming resources for the year	<u>-</u>	<u>256</u>	<u>256</u>
Total funds at end of year	<u>2,073</u>	<u>478</u>	<u>2,551</u>

The directors have designated €2.1m of funds raised since the establishment of BCI in 2006 towards the establishment of a new centre of excellence in breast cancer research and treatment.

12 Reconciliation of net incoming resources to net cash inflow from charitable activities	2014 €'000	2013 €'000
Net incoming resources	256	2,295
Decrease/(increase) in debtors	298	(346)
Increase in creditors	<u>932</u>	<u>563</u>
Net cash inflow from charitable activities	<u>1,486</u>	<u>2,512</u>

13 Reconciliation of net cash flow to movement in net funds	2014 €'000	2013 €'000
Increase in cash in hand	1,485	2,512
Net funds at 1 October 2013	<u>2,512</u>	<u>-</u>
Net funds at 30 September 2014	<u>3,997</u>	<u>2,512</u>

14 Related party transactions

There were no related party transactions in the year that require to be disclosed under FRS 8 or the Companies Acts 1963 to 2013.

15 Controlling party

The Organisation is controlled by the members of the company.

16 Approval of financial statements

The financial statements were approved on 17 April 2015.