

AH Breast Cancer Ireland Limited

Directors' Report and Financial Statements

**For the period from 6 September 2012 (date of
incorporation) to 30 September 2013**

CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 5
INDEPENDENT AUDITORS' REPORT	6 - 7
STATEMENT OF FINANCIAL ACTIVITIES	8
BALANCE SHEET	9
CASH FLOW STATEMENT	10
ACCOUNTING POLICIES	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 16

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 period ended 30 September 2013. The directors present their annual report and the audited financial statements for the period ended 30 September 2013. 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 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 period that give a true and fair view of the state of affairs of the Organisation and of the net incoming or net outgoing resources of the Organisation 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 Organisation 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 Organisation and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and Irish Statute comprising 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.

DIRECTORS' REPORT - continued

Objects and activities - continued

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.

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 period and the appropriation thereof are set out in the Statement of Financial Activities on page 8. Net incoming resources for the period at €2.3m includes an amount of €2.1m which was transferred 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. The accumulated funds of €2.1m have been designated by the directors towards the establishment of a new centre of excellence in breast cancer and treatment.

In the current period ended 30 September 2013, BCI has raised €1.3m 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 of 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 our on-going research and awareness efforts nationally. This year also saw the creation of a new unique education and awareness app, "Breast Aware", which was initially developed for iPhone use alone but has subsequently been adopted to accommodate Android models, kindly supported by the GIVE Grant Programme through eBay and Paypal. As part of our education and awareness objective, the app is free to download and offers to send the user a discreet monthly reminder to their phone, along with a step by step guide on how best to perform a breast self-examination. At BCI our goal is to make women of all ages, young and old, breast aware. Awareness and early detection saves lives.

Principal activities and review of the development of the business

In 2006, Professor Arnold Hill joined the Royal College of Surgeons in Ireland as Professor of Surgery. He 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, all operations of BCI were recorded, administered and accounted for within the operations of RCSI in a separate designated fund account.

On 6 September 2012, BCI was established as a separate legal entity; a company limited by guarantee with a board of directors and members, and then in February 2013, received notification of its charitable status and assignment of its charity number CHY19926. Consequently, the balance of net incoming resources raised to date of €2.1m was transferred from RCSI directly into the BCI entity bank account. These funds are designated towards the establishment of a new centre of excellence in breast cancer research and treatment to be located on the grounds of Beaumont Hospital.

As part of our strategy to support pioneering research, BCI funds the recruitment and retention of breast research scientists, as well as specialist breast research nurses who work within the designated cancer centres, collecting and collating patient data and samples into one large collaborative and centralised resource. Clinicians and scientists nationally can now avail of this increased sample resource from which to conduct their relevant research.

In addition, and as part of our education and awareness strategy, BCI fund campaigns that promote breast health amongst women of all ages. This year BCI created a free to download app "Breast Aware" that was promoted, very generously, by Irish Olympic boxing champion Katie Taylor.

DIRECTORS' REPORT - continued

Principal activities and review of the development of the business - continued

All of the above has been and continues to be made possible by the generosity of the public in supporting our ongoing annual campaigns including our raffles, the Great Pink Run, the Women's Mini Marathon and our Strictly Against Breast Cancer event along with all the numerous initiatives organised by volunteers throughout the year.

Investment in research is critical in helping us understand the many complexities surrounding breast cancer so that we can seek to transform this disease into an illness that can be maintained long term. Awareness of the importance of breast health will help save lives.

Directors

The names of the persons who were directors at any time during the period ended 30 September 2013 are set out below. Unless indicated otherwise they served as directors for the entire period.

Prof Arnold K Hill
Barry Flannery
Paul Gallagher (appointed 14 January 2013)
Randal Hill (resigned 14 January 2013)

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.

Auditors

PricewaterhouseCoopers have been appointed in accordance with Section 160 (2) of the Companies Act, 1963 and have indicated their willingness to continue office.

Post balance sheet events

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

On behalf of the board

Prof Arnold K Hill

Barry Flannery

29 April 2014



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 period ended 30 September 2013 which comprise the Statement of Financial Activities, the Balance Sheet, 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 2013 and of its net incoming resources for the period 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.

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

30 April 2014

STATEMENT OF FINANCIAL ACTIVITIES
Period Ended 30 September 2013

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

There is no difference between the net incoming resources for the period 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 2013

	Notes	2013 €'000
Current assets		
Debtors	7	346
Bank and cash	8	<u>2,512</u>
		2,858
Creditors (amounts falling due within one year)	9	<u>(563)</u>
Net assets		<u>2,295</u>
Unrestricted funds		
Designated funds		2,073
General funds		<u>222</u>
Total Organisation funds	10	<u>2,295</u>

On behalf of the board

Prof Arnold K Hill

Barry Flannery

CASH FLOW STATEMENT
Period Ended 30 September 2013

	Notes	2013 €'000
Net cash inflow from charitable activities	11	2,512
Taxation		<u>-</u>
Increase in cash in period	12	<u>2,512</u>

On behalf of the board

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 in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts 1963 to 2013. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board and published 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 €.

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 period 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 period 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 period 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) for the period and has been designated for the development of a new centre of excellence in breast cancer and treatment.

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 period amounted to €0.15m 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

Cost category	Resources expended		Support costs	Total costs €'000
	Total excl. VAT €'000	% of total time incurred €'000	Allocation excl. VAT €'000	
Charitable activities – research grants allocated	333	25%	38	371
Cost of generating funds	417	40%	61	478
Governance costs	18	10%	15	33
Other resources expended	<u>46</u>	<u>25%</u>	<u>38</u>	<u>84</u>
Total resources expended excluding VAT	<u>814</u>	<u>100%</u>	<u>152</u>	966
Irrecoverable VAT				<u>117</u>
Total resources expended				<u>1,083</u>

(a) Support costs - continued

Cost category

Charitable activities – research grants allocated

Cost of generating funds

Governance costs

Other resources expended

Total resources expended excluding VAT

Irrecoverable VAT

Total resources expended

	Grants to institutions €'000	Grants to individuals €'000	Allocation of support costs €'000	Total €'000

(b) Charitable activities

Grants

Donations to fund breast cancer research

(c) Costs of generating funds

Printing and promotional activities

Fundraising and event management costs

IT and website costs

Subtotal

Allocation of support costs (see note 3(a))

Total

(d) Governance costs

Legal costs

Audit fees

Public relations costs

Subtotal

Allocation of support costs (see note 3(a))

Total

2013
€'000

76

334

7

417

61

478

2013
€'000

7

5

6

18

15

33

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Resources expended - continued 2013
€'000

(e) Other resources expended

Inception costs	46
Allocation of support costs (see note 3(a))	38
Total	84

(f) Net incoming resources 2013
€'000

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

Directors remuneration	-
Audit fees (inclusive of VAT)	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 period.

4 Research grant making policy

BCI funds breast cancer related research programmes nationally, where a minimum investment of 30% of income earned annually will be awarded.

Grants will be 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 period and has entered into a service level and other agreement with RCSI for administration and fundraising support on an arms' length basis.

Staff costs for persons employed amounted to:

	2013 €'000
Salary	41
PRSI	4
	45
	14

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Taxation

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

7 Debtors - all due within one year	2013 €'000
Due from RCSI	345
Accrued income	<u>1</u>
	<u>346</u>

8 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.

9 Creditors - amounts falling due within one year	2013 €'000
Trade creditors	3
VAT	7
Accruals	<u>553</u>
	<u>563</u>

10 Unrestricted funds	Designated funds €'000	General funds €'000	Total 2013 €'000
Total funds at beginning of period	-	-	-
Net incoming resources for the period	<u>2,073</u>	<u>222</u>	<u>2,295</u>
Total funds at end of period	<u>2,073</u>	<u>222</u>	<u>2,295</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.

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Reconciliation of net incoming resources to net cash inflow from charitable activities	2013 €'000
Net incoming resources	2,295
Increase in debtors	(346)
Increase in creditors	<u>563</u>
Net cash inflow from charitable activities	<u>2,512</u>

12 Reconciliation of net cash flow to movement in net funds	2013 €'000
Increase in cash in hand	2,512
Net funds at 6 September 2012	<u>-</u>
Net funds at 30 September 2013	<u>2,512</u>

13 Related party transactions

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

14 Controlling party

The organisation is controlled by the members of the company.

15 Approval of financial statements

The financial statements were approved on 29 April 2014.