

**AH Breast Cancer Ireland CLG**

**Directors' Report and Financial Statements**

**Financial Year Ended 30 September 2016**

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**DIRECTORS AND OTHER INFORMATION**

**Board of Directors**

Prof Arnold K Hill  
Paul Gallagher  
Fiona McMahon  
Ireland

**Solicitors**

Vincent & Beatty Solicitors  
67/68 Fitzwilliam Square  
Dublin 2

**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 Statutory Audit Firm  
One Spencer Dock  
North Wall Quay Dublin 1  
Ireland

## DIRECTORS' REPORT

The directors present their report and the audited financial statements of AH Breast Cancer Ireland CLG ('the Organisation', 'BCI') for the year ended 30 September 2016.

### 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 2014. In preparing the accounts in accordance with FRS 102 the Board have taken on board some but not all of the recommendations of the "Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" hereafter referred to as "Charity SORP FRS 102". While the Charity SORP FRS 102 is not yet mandatory in Ireland, the Board have started a process of moving towards embracing its requirements, and these financial statements reflect some but not all disclosures and formats recommended by the Charity SORP. All activities of the Organisation are charitable.

BCI is a company limited by guarantee incorporated in Ireland on 6 September 2012.

The directors are responsible for preparing the directors' report and the financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year, that give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and of the surplus or deficit of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the surplus or deficit of the company for the financial year.

In preparing these 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;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; 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 keeping adequate accounting records that are sufficient to:

- correctly record and explain 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; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

### 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.

## DIRECTORS' REPORT - continued

### Objects and activities - continued

Investment in research is critical towards achieving this vision and to date funds raised have supported 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 and treatment 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.

### Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the registered office of the company.

### Results for the year

The net incoming resources for the year and the appropriation thereof are set out in the Statement of Financial Activities on page 9. Total incoming resources for the year amount to €1.5m and net incoming resources after fundraising and charitable activities have amounted to €0.05m. The total organisation funds of €2.5m on page 10 include an amount of €2.1m which has been designated by the Directors towards the establishment of a new Centre of Excellence in Breast Cancer Research & Treatment.

In the current year ended 30 September 2016, Breast Cancer Ireland (BCI) has raised €1.5m (2015: €1.3m) in funds to support its ongoing research efforts and promote its education and awareness objectives nationally. Promotion of its annual activities such as its nationwide raffles, its major events: The Great Pink Run & Strictly Against Breast Cancer, not only encourage participation but also heighten awareness on the importance of breast cancer research and breast health in general.

During 2016 we experienced an increase in pledged income of circa €0.25m. This was as a result of BCI's heightened profiling across various media including social media, TV etc. that drove increased awareness of our programmes and engagement amongst community fundraisers.

Our main fundraising event The Great Pink Run this year produced in excess of €0.27m thanks to the support of our Ambassadors and TV3, coupled with our heightened social media campaign and generated a valuable media book value.

Funds raised continue to support the work of the BCI specialist Breast Cancer Research Nurse initiative within the designated centres of excellence nationally. Their collaborative work in collecting and collating breast cancer tissue and serum samples and building patient data, into one large centralised resource, is proving invaluable to clinicians and scientists nationally and internationally, as it is helping to speed up discovery process and ultimately affect better treatment outcomes for patients.

BCI are now entering the 3rd year of their €0.2m per annum over 5 years commitment in funding for the Breast Cancer Ireland Research Centre which focuses on investigative research conducted by a translational team of clinicians and scientists. Part of their mission is also to train the next generation of clinical researchers. Jarlath Bolger and Damir Vareslija were awarded their PhDs for research supported by Breast Cancer Ireland. Both Jarlath and Damir have published their work in high impact journals and are continuing to conduct research into the causes of resistance to therapy in breast cancer patients. During 2016, the BCI Research Centre produced a unique video insight into their work within the laboratories, hosted by Dr Damir Vareslija which has received tremendous feedback.

**DIRECTORS' REPORT - continued**

**Results for the year - continued**

In addition, the Board of Breast Cancer Ireland agreed to sponsor an International Breast Cancer Conference within the Royal College of Surgeons in Ireland, hosted by Associate Professor Leonie Young, where clinicians, scientists and researchers from Harvard Medical School, Dana Faber Cancer Centre, University of Liverpool, University of London, University of Pennsylvania and many more gathered to update on their research progress and to seek cross collaborative initiatives that will enhance and advance breast cancer research.

During the year, research grants awarded to the Breast Cancer Ireland Research Centre amounted to €0.35m and were administered by Associate Professor Leonie Young.

**Director**

The names of the persons who were directors at any time during the year ending 30 September 2016 are set out below. Mr Barry Flannery offered himself for resignation in May 2016 and the Chairman accepted his resignation. The Board appointed Ms Fiona McMahon in June 2015. Ms Mc Mahon is the Head of Banking Supervision, Inspections Division, Central Bank of Ireland.

Prof Arnold K Hill  
Barry Flannery (resigned May 2016)  
Paul Gallagher  
Fiona McMahon (appointed 17 June 2015)

**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.

**Events since the end of the financial year**

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

**Disclosure of information to auditors**

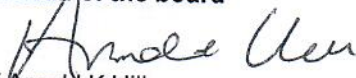
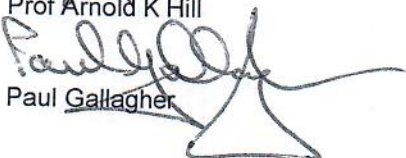
The directors in office at the date of this report have each confirmed that:

- As far as they are aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

**Statutory auditors**

The Auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

**On behalf of the board**

  
Prof Arnold K Hill  
  
Paul Gallagher

26 January 2017



## ***Independent auditors' report to the members of AH Breast Cancer Ireland CLG***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, AH Breast Cancer Ireland CLG's financial statements (the "financial statements"):

- give a true and fair view of the company's assets, liabilities and financial position as at 30 September 2016 and of its profit and cash flows for the year then ended;
  - have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
  - have been properly prepared in accordance with the requirements of the Companies Act 2014.
- 

#### **What we have audited**

The financial statements comprise:

- the balance sheet as at 30 September 2016;
- the statement of financial activities for the year then ended;
- the statement of changes in funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements 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), including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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### **Matters on which we are required to report by the Companies Act 2014**

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- We have obtained all the information and explanations which we consider 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

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T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, [www.pwc.com/ie](http://www.pwc.com/ie)*



## ***Independent auditors' report to the members of AH Breast Cancer Ireland CLG - continued***

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### **Matter on which we are required to report by exception**

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

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### **Responsibilities for the financial statements and the audit**

#### *Our responsibilities and those of the directors*

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 and for being satisfied that they give 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 391 of the Companies Act 2014 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.

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#### *What an audit of financial statements involves*

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.





***Independent auditors' report to the members of AH  
Breast Cancer Ireland CLG - continued***

In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any 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.

*Aisling Fitzgerald*

**Aisling Fitzgerald  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin**

**31 January 2017**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Year Ended 30 September 2016**

	Notes	2016 €'000	2015 €'000
<b>Incoming resources</b>			
Donations and fundraising income	5	1,467	1,261
Interest income		12	39
		<u>1,479</u>	<u>1,300</u>
<b>Resources expended</b>			
Expenditure on charitable activities - research grants awarded	6(b)	394	452
Cost of raising funds	6	1,033	916
Total resources expended		<u>1,427</u>	<u>1,368</u>
<b>Net incoming/(outgoing) resources</b>		<u>52</u>	<u>(68)</u>
<b>Net movement in funds</b>		52	(68)
Reconciliation of funds:			
Total funds brought forward		<u>2,483</u>	<u>2,551</u>
Total funds carried forward		<u>2,535</u>	<u>2,483</u>

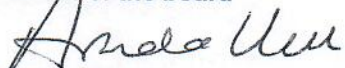
There is no difference between the net incoming/(outgoing) resources for the year and its historical cost equivalent.

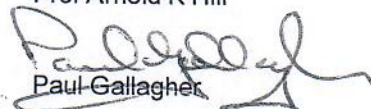
Incoming resources and net incoming/(outgoing) resources arose solely from continuing operations.

**BALANCE SHEET**  
As at 30 September 2016

	Notes	2016 €'000	2015 €'000
<b>Fixed assets</b>			
Tangible assets	10	-	1
		-	1
<b>Current assets</b>			
Debtors	11	129	100
Bank and cash	12	2,694	2,648
		2,823	2,748
<b>Creditors</b> (amounts falling due within one year)	13	(288)	(266)
<b>Net assets</b>		<u>2,535</u>	<u>2,483</u>
<b>Unrestricted funds</b>			
Designated funds		2,073	2,073
General funds		462	410
<b>Total organisation funds</b>		<u>2,535</u>	<u>2,483</u>

On behalf of the board

  
Prof Arnold K Hill

  
Paul Gallagher

**STATEMENT OF CHANGES IN FUNDS**  
**Year Ended 30 September 2016**

	Designated funds €'000	General funds €'000	Total €'000
<b>Unrestricted funds</b>			
Total funds at 30 September 2014	2,073	478	2,551
Net incoming/(outgoing) resources for the year	<u>-</u>	<u>(68)</u>	<u>(68)</u>
<b>Total funds at 30 September 2015</b>	<u>2,073</u>	<u>410</u>	<u>2,483</u>
Total funds at 30 September 2015	2,073	410	2,483
Net incoming/(outgoing) resources for the year	<u>-</u>	<u>52</u>	<u>52</u>
<b>Total funds at 30 September 2016</b>	<u>2,073</u>	<u>462</u>	<u>2,535</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

**3 Summary of significant accounting policies - continued**

**(c) Foreign currency - continued**

*(ii) Transactions and balances - continued*

At the end of each financial year foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**(d) 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 consist 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.

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.

**(e) Employee benefits**

The company provides a range of benefits to employees, including short term employee benefits such as annual bonus arrangements and paid holiday arrangements.

*Short term employee benefits*

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

**(f) Resources expended**

Resources expended are analysed between charitable activities (research grants allocated), education and awareness costs, costs of generating funds and governance and support 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 in note 6 of the financial statements.

**(g) 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. BCI can recover VAT on certain medical research equipment purchased subject to meeting certain conditions (see note 6(b)).

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 3 Summary of significant accounting policies - continued

#### (h) Tangible fixed assets

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

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%.

#### (i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

#### (j) Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

##### (i) *Financial assets*

Basic financial assets, including trade and other debtors, cash and cash equivalents and short-term deposits, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

##### (ii) *Financial liabilities*

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 3 Summary of significant accounting policies - continued

#### (k) 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 designated an amount of €2.1m towards the establishment of a new Centre of Excellence in Breast Cancer Research and Treatment. The Directors also intend to designate a further €0.4m of funds raised over the course of the next two years for this purpose.

The reserve 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.

#### (l) 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 and education and awareness objectives of the Organisation.

### 4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors consider there are no critical judgements made which have had a significant effect on the amounts recognised in the entity financial statements;

#### Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### (i) Useful economic lives of tangible fixed assets

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 7 for details of tangible fixed assets.

#### (ii) Impairment of debtors

The directors make an assessment at the end of each financial year of whether there is objective evidence that trade or other debtor is impaired. When assessing impairment of trade and other debtors, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor. See note 11 for the net carrying amount of the debtors. There was no impairment loss recognised in the financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Incoming resources

Donations and fundraising income of €1.5m (2015: €1.3m), 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 in note 3 of the financial statements.

6 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 and initiatives to be undertaken.

BCI cannot reclaim VAT on its input costs and as a result, irrecoverable VAT is shown separately in the Statement of Financial Activities. BCI, as an exception, is able to reclaim VAT only in the case of research or medical equipment acquisition, in accordance with VAT legislation and its Memorandum and Articles of Association.

	Notes	2016 €'000	2015 €'000
Activities - education and awareness	6(c)	237	139
Costs of generating funds	6(d)	660	595
Governance costs	6(e)	25	17
Irrecoverable VAT		111	165
Cost of raising funds		<u>1,033</u>	<u>916</u>

(a) Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Total support costs for the year amounted to €0.2m (2015: €0.1m) excluding irrecoverable VAT. Support costs include occupancy, finance, fundraising and administration costs and have been allocated to the relevant direct cost category they support on the basis of % time incurred. Fundraising costs include a portion of staff costs which are allocated 55:45 between costs of generating funds and support costs respectively (see note 8).

Cost category	Resources expended		Support costs	Total costs
	Total excl. VAT 2016 €'000	% of total time incurred 2016 €'000	Allocation excl. VAT 2016 €'000	2016 €'000
Charitable activities - research grants awarded	349	30%	46	394
Activities - education and awareness	214	15%	23	237
Costs of generating funds	592	45%	68	660
Governance costs	9	10%	15	25
Total resources expended excluding VAT	<u>1,164</u>	<u>100%</u>	<u>152</u>	<u>1,316</u>
Irrecoverable VAT				<u>111</u>
Total resources expended				<u>1,427</u>



NOTES TO THE FINANCIAL STATEMENTS - continued

6 Resources expended - continued

	Resources expended		Support costs	Total costs
	Total	% of total	Allocation	
	excl. VAT	time incurred	excl. VAT	
	2015	2015	2015	2015
	€'000	€'000	€'000	€'000
<b>(a) Support costs - continued</b>				
<b>Cost category</b>				
Charitable activities - research grants awarded	419	30%	33	452
Activities - education and awareness	122	15%	17	139
Costs of generating funds	545	45%	50	595
Governance costs	6	10%	11	17
Total resources expended excluding VAT	<u>1,092</u>	<u>100%</u>	<u>111</u>	<u>1,203</u>
Irrecoverable VAT				<u>165</u>
Total resources expended				<u>1,368</u>
			2016	2015
			€'000	€'000

**(b) Charitable activities - research grants awarded**

Donations to fund breast cancer research		348	419
Subtotal		<u>348</u>	<u>419</u>
Allocation of support costs (see note 6(a))		46	33
Total		<u>394</u>	<u>452</u>

During 2015 BCI donated a new Intra-Operative Radio Therapy Device to Beaumont Hospital to assist in the recovery of breast cancer patients by extending their initial surgical time by twenty minutes, thereby alleviating the necessity to return daily to the hospital for five consecutive weeks for radiotherapy treatment. The full cost of the machine amounted to €0.46m. BCI made an initial payment in 2012 of €0.23m with a balancing amount of €0.23m paid during financial year ended 30 September 2015. In May 2016 BCI received a refund from the Revenue Commissioners for VAT incurred when purchasing the device. This refund amounted to €0.086m and has been included in income at 30 September 2016 (see note 13).

	2016	2015
	€'000	€'000
<b>(c) Activities - education and awareness</b>		
Costs to fund education and awareness	214	122
Subtotal	<u>214</u>	<u>122</u>
Allocation of support costs (see note 6(a))	23	17
Total	<u>237</u>	<u>139</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Resources expended - continued	2016 €'000	2015 €'000
<b>(d) Costs of generating funds</b>		
Raffle costs	340	261
Event management costs	124	154
Staff costs*	102	72
PR and postage costs	7	18
Prize costs	16	16
SLA and secondments costs*	-	12
IT and website costs	3	12
Subtotal	<u>592</u>	<u>545</u>
Allocation of support costs (see note 6(a))	68	50
Total	<u>660</u>	<u>595</u>

\* Staff costs and 2015 secondment costs are allocated 55:45 between costs of generating funds and support costs respectively (see note 8 for further details).

(e) Governance costs	2016 €'000	2015 €'000
Legal costs	2	1
Insurance	1	1
Audit fees	6	4
Strategic advice	-	-
Subtotal	<u>9</u>	<u>6</u>
Allocation of support costs (see note 6(a))	15	11
Total	<u>24</u>	<u>17</u>
	2016 €'000	2015 €'000

**(f) Net incoming resources**

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

Directors' remuneration	-	-
Audit remuneration - entity financial statements including expenses (inclusive of VAT)	6	6
	<u>6</u>	<u>6</u>

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 (see note 17 Related party transactions).

NOTES TO THE FINANCIAL STATEMENTS - continued

**7 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.

<b>8 Employment costs</b>	2016 €'000	2015 €'000
Staff costs for persons employed amounted to:		
Wages and salaries*	167	119
Social insurance costs	18	11
	<u>185</u>	<u>130</u>
	2016 Number	2015 Number
The average number of persons employed by the company during the year was:	<u>3.5</u>	<u>2</u>

\* Staff costs are allocated 55:45 between costs of generating funds and support costs respectively. During the year a staff member went on maternity leave and a replacement was employed on a special purpose contract. BCI also recruited its first TY & Outreach Coordinator to help in the provision of its Education & Awareness programmes nationally.

**Key management compensation**

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2016 €'000	2015 €'000
Salaries and other short term benefits	<u>100</u>	<u>100</u>

**9 Taxation**

The Organisation has been granted charitable tax exemption by the Revenue Commissioners. Irrecoverable value added tax arising (VAT) in Ireland is expensed as incurred however BCI can recover VAT on certain medical research equipment purchased subject to meeting certain conditions (see note 13).

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Tangible fixed assets	Computer equipment €'000	Total €'000
<b>Cost</b>		
At 30 September 2014	2	2
Additions	-	-
At 30 September 2015	<u>2</u>	<u>2</u>
At 30 September 2015	2	2
Additions	-	-
At 30 September 2016	<u>2</u>	<u>2</u>
<b>Accumulated depreciation</b>		
At 30 September 2014	-	-
Charge for the year	1	1
At 30 September 2015	<u>1</u>	<u>1</u>
At 30 September 2015	1	1
Charge for the year	1	1
At 30 September 2016	<u>2</u>	<u>2</u>
<b>Net book amount</b>		
At 30 September 2016	<u>-</u>	<u>-</u>
At 30 September 2015	<u>1</u>	<u>1</u>
At 30 September 2014	<u>2</u>	<u>2</u>
11 Debtors - all due within one year	2016 €'000	2015 €'000
Accrued income*	<u>129</u>	<u>100</u>

\* Accrued income includes interest and fundraising income earned but not received until after the financial year ended 30 September 2016.

12 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Creditors - amounts falling due within one year

	2016 €'000	2015 €'000
Trade creditors	171	17
Other creditors including tax and social insurance	26	81
Accruals	91	168
	<u>288</u>	<u>266</u>

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms.

	2016 €'000	2015 €'000
Other creditors including tax and social insurance comprise:		
VAT	11	65
PAYE	15	16
	<u>26</u>	<u>81</u>

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

BCI applied apply to the Revenue Commissioners in 2016 for a refund of VAT incurred during 2015 when purchasing a new Intra-Operative Radio Therapy Device which was subsequently donated to Beaumont Hospital. The VAT incurred and recorded in the financial statements during the financial year 2015 in relation to the device amounted to €0.043m. An additional €0.043m of VAT was incurred during 2012 (and recorded in the 2012 financial statements) in relation to the device, BCI applied for refund of the full amount of VAT incurred totalling €0.086m.

14 Financial instruments

	Notes	2016 €'000	2015 €'000
The company has the following instruments:			
Cash at bank and in hand	12	<u>2,694</u>	<u>2,648</u>
Financial liabilities measured at amortised cost:			
- Trade creditors	13	<u>171</u>	<u>17</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**15 Unrestricted funds**

The directors have designated €2.1m of funds raised by BCI towards the establishment of a new centre of excellence in breast cancer research and treatment. The Directors also intend to designate a further €0.4m of funds raised over the course of the next two years for this purpose.

Designated funds agreed in advance of a transfer date will adopt the following criteria:

- Letter of approval from BCI to make a specific agreed grant amount to the organisation, on a particular date, subject to a completed satisfactory Risk Analysis,
- Signed letter of agreement from grant recipient that the funds agreed will be used solely for the purpose for which they are donated and that any cost differential experienced will be the responsibility of the grantee not the grantor and that adequate provisions are put in place.
- Agreement in writing that a representative from the grantee organisation will take responsibility for the affective distribution of funds with full transparency and reporting.

**16 Note to the statements of cash flows**

	2016 €'000	2015 €'000
Net incoming/(outgoing) resources	52	(68)
(Increase)/decrease in debtors	(29)	(52)
Increase/(decrease) in creditors	23	(1,229)
Net cash inflow/(outflow) from charitable activities	<u>46</u>	<u>(1,349)</u>

**17 Related party transactions**

During the year research grants awarded to the Breast Cancer Ireland Research Centre, amounting to €0.35m (2015: €0.2m), were administered by a spouse of a BCI former Director (who resigned in May 2016) who is an Associate Professor of the Centre and responsible for disbursing research related expenses as required by the Centre. The former Director has excused and will continue to excuse himself from discussions in relation to the award of any research grants.

**18 Controlling party**

The Organisation is controlled by the members of the company.

**19 Events since the end of the financial year**

Certain comparative amounts have been amended for comparability with current year disclosures in order to provide a more accurate representation of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**20 Transition to FRS 102**

This is the first financial year for which the company has presented financial statements complying with FRS 102. The last financial statements under Irish GAAP were for the financial year ended 30 September 2015. The company's date of transition to FRS 102 is 1 October 2014.

There are no changes to the comparatives for Equity or Profit and loss for financial year ended 30 September 2015 arising from the transition.

*Statement of cash flows*

The company's statement of cash flows reflects the presentation requirements of FRS 102, which differ to FRS 1. In addition the statement of cash flows under FRS 102 reconciles profit for the financial year to cash and cash equivalents at the end of the financial year whereas under previous Irish GAAP the cash flow statement reconciled profit for the financial year to cash at the end of the financial year. Cash and cash equivalents are defined in FRS 102 as 'cash on hand and demand deposits and short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value' whereas cash is defined in FRS 1 as 'cash in hand and deposits repayable on demand with any qualifying institution, less overdrafts from any qualifying institution repayable on demand'.

**21 Approval of financial statements**

The financial statements were approved on 26 January 2017.