

Irish Cancer Society Limited
(company limited by guarantee
not having a share capital)

Reports and
Consolidated Financial Statements
for the year ended
31 December 2012

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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IRISH CANCER SOCIETY LIMITED
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DIRECTORS AND OTHER INFORMATION

DIRECTORS

Prof. J. Kennedy (Chairman)
Prof. J. Armstrong
Mr. D. Breen
Dr. G. Flannelly
Ms. B. Godley
Mr. D. Heather
Mr. W. G. McCabe
Mr. P. McMahon
Prof. C. O'Farrelly
Mr. P. O'hUiginn
Mr. W. O'Reilly
Ms. M. Armstrong (appointed 22 November 2012)
Dr. L. Grogan (appointed 22 November 2012)

CHIEF EXECUTIVE

John McCormack

SECRETARY

Niamh Ní Chonghaile

REGISTERED OFFICE

43/45 Northumberland Road
Dublin 4

REGISTERED NUMBER

20868

SOLICITORS

Hayes Solicitors
Lavery House
Earlsfort Terrace
Dublin 2

BANKERS

AIB Bank
9 Terenure Road
Rathgar
Dublin 6

Bank of Ireland
Ballsbridge
Dublin 4

AUDITORS

Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

DIRECTORS' REPORT

The directors submit their annual report, together with the audited financial statements, for the year ended 31 December 2012.

REVIEW OF THE ACTIVITIES OF THE SOCIETY

The Irish Cancer Society is the national cancer charity. It is a charitable organisation and a Company Limited by Guarantee with a Board of Directors. The Board meets five times a year and its work is also managed through a number of sub-committees, which are chaired by directors and meet regularly. They are: Strategy & Advocacy, Finance, Medical, Research Priorities and Fundraising Advisory. Responsibility for the day to day management is delegated by the Board to the Chief Executive, Mr. John McCormack, who is supported by a senior management team, staff and volunteers.

The Society's current Strategic Plan (2008 to 2012) is built on a vision for world class cancer services for Ireland, with equal access for all, where fewer people will get cancer and those that do will have better outcomes. During 2012, the Society developed its new strategy statement for 2013 to 2017 "*Towards a future without cancer*".

The Society's strategy is delivered through three pillars of work – Prevention, Early Detection and Fighting Cancer. Its means of delivering on the pillars is through Programme, Research and Advocacy.

Programme

Combined, the four big cancers, bowel, breast, lung and prostate account for 40% of cancer incidence, while tobacco alone causes 30% of all cancers. The Society analyses its Programme work (campaigns, services and grants) across:

- Bowel
- Breast
- Lung
- Prostate
- Anti-Tobacco
- All other cancers

In 2012 this work included:

Campaigns

- Anti-smoking initiatives and campaigns.
- Public awareness campaigns on lung, bowel, prostate and breast cancers.
- Relay For Life celebrating life after cancer, acknowledging those lives lost and bringing communities together to take on the challenge of preventing cancer. There were seven Relays around the country during 2012 with participation of over 230 teams and 650 survivors and over 14,000 Candles of Hope remembering lives lost.

Services

- Operation of the National Smokers Quitline in partnership with the Health Service Executive.
- Provision of cancer information and support through the National Cancer Helpline, web cancer chat and through Daffodil Centres on hospital sites. Seven Daffodil Centres were up and running by the end of 2012.
- *Survivors Supporting Survivors*' psychosocial support programme.
- A volunteer driving service, Care to Drive, for patients travelling to and from treatment. By the end of 2012, this was operating in nine hospitals; Dublin (5), Sligo, Letterkenny, Limerick and Tullamore with agreement reached in five others in Cork (2), Kerry, Waterford and Galway.
- Building and developing the affiliation network of cancer support services in Ireland with forty eight centres now affiliated with the Society.

Grants

- Financial assistance for patients and their families who are suffering financially because of a cancer diagnosis and treatment.
- A travel grant programme (Travel2Care), funded by the National Cancer Control Programme (NCCP), for patients travelling to any of the eight designated cancer centres and the designated satellite centres.
- Grant aid to cancer support centres to provide free counselling services for patients and their families.
- A grant to Our Lady's Hospital for Sick Children in Crumlin to fund a play therapy service in paediatric oncology.
- A grant to St. Francis Hospice to support lymphoedema services.

DIRECTORS' REPORT (CONTINUED)

Other services not analysed across the six key headings include:

- The Night Nursing Service which enables families to provide end of life care to their loved ones at home. The Society employs nurses and works with local home care teams to provide this free service in every county in Ireland.
- Grants to support the employment of Oncology Liaison Nurses who work in hospitals providing emotional and practical support for patients and their families at the time of diagnosis of cancer and throughout treatment.

Research

The Society is the largest voluntary funder of cancer research in Ireland. The Society aims to increase its impact in the area of cancer research particularly around enabling collaborations both nationally and internationally. Research to find better ways of diagnosing and treating cancer is a vital element in the fight against cancer.

The Society's grants include Research Fellowships and Scholarships which are funded over three and four year periods respectively. In 2012 the Society also provided targeted funding for prostate cancer research. In addition, the Society expanded its range of grants to include funding for part time translational and prostate cancer research co-ordinators at Irish Clinical Oncology Research Group (ICORG) and Molecular Medicine Ireland (MMI). Also for the first time, the Society funded a twelve month research grant investigating health inequalities in cancer in Ireland.

In 2012, over 35 discoveries from research funded by the Society were published in international peer review journals. These research findings were made in the areas of oesophageal, prostate, brain, breast, leukaemia, lung, ovarian, cervical, and multiple myeloma cancer research. Additionally, 12 reviews and letters analysing and commenting on the knowledge generated to date in cancer research topics were published in 2012. This brings to 47 the total number of research publications from Society funding last year.

The Society continues to provide core funding to ICORG, a charitable organisation which aims to increase the availability of clinical trials and translational research for people with cancer in Ireland.

Advocacy

The focus of the Society's advocacy work was mainly on tobacco control as well as monitoring progress on the roll-out of bowel cancer screening and pursuing legislation to regulate the use of sunbeds. In 2012, the Society also began campaigning to highlight the issue of the high and growing rates of women with lung cancer with a view to generating a specific policy response in time.

The Society monitors the impact on cancer patients of the cuts in Government spending, particularly those whose income has been impacted by a cancer diagnosis as well as social welfare recipients and medical card holders who are also cancer patients.

In 2009, the Society committed €1m to the State to support national roll-out of bowel cancer screening. This pledge is included in liabilities at the year end and will only be paid over once the roll-out criteria have been achieved. The screening commenced in quarter four 2012.

The Society is also a member of ICTR, the charity umbrella body which lobbies for tax reform for charities. In 2012, the Society's total Vat bill, none of which is reclaimable, amounted to €0.9m. ICTR is also involved in other governance issues including fundraising guidelines.

Fundraising

The Society fundraises approximately 94% of its income. The balance comes from Government grants (NCCP and Health Research Board), earned income (workplace and Quiltline) and deposit and investment income.

Fundraising costs include the costs of running campaigns and the costs of the fundraising personnel and overheads. The Society's fundraising activities are run by a team of employees and a vast body of volunteers throughout the country, without whom we would not exist.

Governance Costs

This is comprised of the Society's communication and administration costs. The costs of public relations, media activities and the management of the Society's publications and events are the main Communication costs while the Administration costs are facilities, utilities, IT, storage, depreciation and back office support. Some of these costs are allocated directly to Programme, Advocacy, Research and Fundraising based on use of resources in the delivery of the activities and these are shown as Support Costs (see Note 3). The balance of costs are shown as Administration in the Consolidated Statement of Financial Activities and Income and Expenditure Account.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF THE RESULTS FOR THE YEAR

The detailed results for the year are set out on pages 11 and 12.

Income in 2012 was €20.8m (2011: €21.3m). This is a decrease of 2% on 2011, however the Society received a very large bequest in 2011. Like for like fundraising activity recorded an 11% increase. During 2012 the Society achieved growth in some key campaigns including - Shave or Dye (supported by Today FM) which generated €2.5m (96% increase); Relay For Life €779k (114%); Direct Marketing €1.1m (67%); Community Challenge Events €1m (21%); Community Functions €830k (25%); Net Daffodil Day €2.5m (2%); Other income sources returned modest growth and some declines due to the on going challenging fundraising environment. Overall the directors are satisfied that the Society's fundraising is performing very successfully due to the generosity of our donors, supporters and volunteers.

In accordance with best practice for charities fund management, the Society manages its funds between restricted, unrestricted and designated reserves.

- *Restricted:* income where the donor specifies how the donation should be spent.
- *Unrestricted:* income donated to the Society without any stipulation by the donor as to how the funds should be spent.
- *Designated:* this is unrestricted income allocated by the directors to key strategic areas of work over the medium term.

The movements on the Designated and Restricted Funds are analysed in Note 8.

During 2012, the Society received €189,775 (2011: €209,729) from the scheme established to assist charitable lotteries whose products are in direct competition with the products being sold by the National Lottery. The income is included as restricted income in *Other Activities for Generating Funds* and was used to fund the Society's Cancer Information and Support service.

Expenditure in 2012 was €19.3m (2011: €20.4m). The Society is at all times conscious of cost effective expenditure and during 2012 savings were achieved without compromising objectives. 2012 expenditure is analysed into the categories set out below:

- Programme €10.7m (2011: €11.2m)
- Cancer research €3.5m (2011: €3.8m). The large bequest in 2011 enabled extra research expenditure in 2011.
- Advocacy expenditure €0.5m (2011: €0.5m)
- Fundraising costs €3.7m (2011: €4m). Reductions were achieved through cost savings and changes to some campaigns.
- Communications €0.4m (2011: €0.4m)
- Administration €0.5m (2011: €0.5m)

The net result for 2012 was a surplus of €1.5m (2011: surplus €0.9m).

Demand for services

The demand for the Society's services continues to grow.

- The roll-out of the Daffodil Centres is proving very successful. The Daffodil Centres provide volunteer and professional support to patients, families and visitors to the hospitals. In 2012, there were 9,315 visits to the Daffodil Centres.
- Total contacts and interactions with the Cancer Information Service increased by 28% from 22,120 in 2011 to 28,383 in 2012.
- 2,113 patients were given 8,551 nights of nursing care. This represents a 5% increase for both patients and nights on 2011. Included in the total cost of €2.6m is €0.3m for non-malignant cases which is fully reimbursed to the Society.
- The Society's literature is distributed via public information stands throughout the GP network and other key health service areas.
- 1,753 patients received grants of €1.07m in 2012 (1,943, €1.06m in 2011). Applications have decreased due to increased qualification for NCCP grants but grant awards have increased reflecting the economic environment.
- Expenditure on NCCP funded travel decreased by 6% due to budget constraints but the numbers of applicants receiving grants increased in 2012 to 1,044 (2011: 781).

DIRECTORS' REPORT (CONTINUED)

Influencing government policy

The Society continues to monitor the implementation of the National Cancer Control Strategy including the national roll-out of breast cancer, cervical cancer and bowel cancer screening in accordance with agreed timelines. Ensuring delivery of the Government's tobacco policy will continue to be a key part of the Society's advocacy work.

Benchmarking

The Society seeks to use national and international benchmarks as a guideline for expenditure ratios. The directors are satisfied that the Society's expenditure ratios are acceptable when compared with available benchmarks.

FINANCIAL POSITION AT YEAR END

At 31 December 2012, the Society had net assets of €13.8m (2011: €16.2m). This was comprised of fixed assets of €11.3m (2011: €11.7m) (head office premises and contents), current assets of €16.4m (2011: €14.5m) (bank funds €10.1m; investments of €5m), current liabilities of €6.4m (2011: €5.1m) (€2.4m research grants; €0.7m operating bank overdraft; €1m the bowel cancer screening pledge) and long term liabilities of €3.1m (2011: €3.8m) (premises mortgage €0.4m; research grants €2.7m) and a pension deficit of €4.5m (2011: €0.9m). The deficit, based on the accounting valuation under FRS 17 (see Note 18) is not as relevant as the actuarial deficit. The actuarial deficit which must be funded under pension legislation is approximately €0.75m. The funding of this deficit is on schedule. The main difference between the two valuations is the requirement under FRS17 to use only AA rated corporate bonds to be used in the valuation whereas the actuarial valuation has no such requirement. Other differences include the assumptions on pension and salary growth.

At 31 December 2012, the Designated Fund was €2.3m, Restricted Fund was €2.1m and the Unrestricted Fund was €9.3m. See Note 8 for the analysis of Designated and Restricted Funds.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the company and/or its subsidiaries since the year end.

PRINCIPAL RISKS AND UNCERTAINTIES

The Society actively manages its principal risks. A risk register is maintained which identifies key risks, including business continuity, and the controls that have been put in place to mitigate against and manage these risks. The register is updated annually. Risk management is the responsibility of the senior management team and is reported on at each Finance Committee and Board meeting.

There are strong systems of internal controls and procedures covering all elements of financial, fundraising and operational activities. The controls ensure compliance with legislation and regulations, the effective and efficient use of resources, including staff and volunteers, and the integrity of the financial information. All controls are continually reviewed and improved as part of normal operational activities and risk management.

In common with other charities whose principal source of income is fundraising, the Society must maintain and develop its income sources to ensure continued supply of services. The directors through the Fundraising Advisory sub-committee review all sources of income on an on going basis and implement a policy of development and innovation.

The cash reserves of the Society are spread across a number of financial institutions and the Society holds investments as a resource should income sources decline. These investments are marked to market. The Society takes a conservative view in its investment management.

The Society maintains reserves to ensure continuity of mission, targets and services to those with cancer and the wider public. At 31 December 2012, the Society had €9.8m (2011: €8.3m) in net cash reserves and €5m (2011: €5m) in short to medium term liquid investments, of which €2.3m is tied to restricted expenditure and €5.7m is committed to current liabilities (excluding bank overdraft). In addition, long-term commitments on research grants amounted to €2.7m. Taking into account normal income streams, investments, current liabilities and planned levels of expenditure, the directors are satisfied that the level of cash reserves is sufficient.

The Society is committed to providing a safe working environment for its employees, clients and members of the public in accordance with the Safety Health and Welfare at Work Act, 2005, and the General Application Regulations, 2007. A Health & Safety Committee, headed by a Health & Safety Officer, oversees all aspects of Health & Safety ensuring that legislation is monitored, changes implemented as required and all appropriate training takes place.

IRISH CANCER SOCIETY LIMITED
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DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The present members of the Board of Directors are set out on page 2. The directors all serve in a voluntary capacity.

- On 11 May 2012, Mr. M. Colgan resigned as a director of the Society.
- On 17 September 2012, Mr J. Slattery resigned as a director of the Society.
- On 3 October 2012, the following directors retired in accordance with Article 42 of the Articles of Association and being eligible offered themselves for re-election and were duly re-elected: Mr. D. Breen, Dr. G. Flannelly, Ms. B. Godley and Mr. P. O'hUiginn.
- On 3 October 2012, in accordance with Article 51 of the Articles of Association, Mr. W. G. McCabe retired as Chairman of the Board and Prof. J. Kennedy was elected as Chairman.
- On 22 November 2012 Ms. Marie Armstrong and Dr. Liam Grogan were appointed to the Board.

BOOKS AND ACCOUNTING RECORDS

The directors are responsible for producing this report and for ensuring that proper books and accounting records, as outlined in Section 202 of the Companies Act, 1990, are kept by the Company. To achieve this, the directors have appointed appropriate accounting personnel, including the Company Secretary, a qualified accountant, in order to ensure that those requirements are complied with. The books and records are maintained at the company's registered office.

AUDITORS

The auditors, Deloitte & Touche, Chartered Accountants, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

Signed on behalf of the Board:

Prof. J. Kennedy
Director

P. McMahon
Director

25 April 2013

IRISH CANCER SOCIETY LIMITED
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STATEMENT OF DIRECTORS' RESPONSIBILITIES

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the surplus or deficit of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the company and the group financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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 company and the group and to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2012. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)**

We have audited the financial statements of Irish Cancer Society Limited for the year ended 31 December 2012, which comprise the Consolidated Summary Statement of Financial Activities And Summary Income and Expenditure Account, the Consolidated Statement of Financial Activities And Income and Expenditure Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cashflow Statement, the Statement of Accounting Policies and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable 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).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, 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.

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 group's and parent 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 Reports and Consolidated Financial Statement of the Irish Cancer Society Limited to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

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 group's and of the parent company's affairs as at 31 December 2012 and of the group's surplus for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

Matters on which we are required to report by the Companies Acts, 1963 to 2012

- 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 parent company.
- The parent company's 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 2012 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Thomas Cassin
For and on behalf of Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin

25 April 2013

IRISH CANCER SOCIETY LIMITED
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**CONSOLIDATED SUMMARY STATEMENT OF FINANCIAL ACTIVITIES AND
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 Total €'000	2011 Total €'000
Resources arising	20,798	21,297
Use of resources		
Programme	10,715	11,186
Research	3,471	3,845
Advocacy	499	467
Total charitable activities	14,685	15,498
Fundraising costs	3,663	3,990
Communication costs	388	367
Administration costs	554	505
Resources expended in year	19,290	20,360
Result for the financial year – surplus	1,508	937

The detailed Consolidated Statement of Financial Activities and Income and Expenditure Account are set out on pages 11 and 12.

The financial statements were approved by the Board of Directors on 25 April 2013 and signed on its behalf by:

Prof. J. Kennedy
Director

P. McMahon
Director

IRISH CANCER SOCIETY LIMITED
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 Unrestricted €'000	2012 Restricted €'000	2012 Designated €'000	2012 Total €'000	%	2011 Total €'000	%
RESOURCES ARISING:								
Incoming Resources from Fundraising Activities:								
Daffodil Day campaign proceeds	1	2,527	-	-	2,527	12	2,478	12
Other activities for generating funds	2	9,848	4,217	-	14,065	68	12,440	59
Voluntary income	2	2,712	315	-	3,027	15	5,199	24
Other income	2	475	-	-	475	2	247	1
Incoming Resources from Charitable Activities	2	31	673	-	704	3	933	4
		<u>15,593</u>	<u>5,205</u>	<u>-</u>	<u>20,798</u>	<u>100</u>	<u>21,297</u>	<u>100</u>
USE OF RESOURCES:								
Charitable Activities, Programme								
Bowel cancer	3	810	64	243	1,117	6	1,284	6
Breast cancer	3	-	1,125	155	1,280	7	1,519	8
Lung cancer	3	593	67	214	874	4	947	5
Prostate cancer	3	602	750	155	1,507	8	1,372	7
Anti-tobacco initiatives	3	551	78	281	910	5	807	4
Other cancers	3	804	332	155	1,291	7	1,281	6
		<u>3,360</u>	<u>2,416</u>	<u>1,203</u>	<u>6,979</u>	<u>37</u>	<u>7,210</u>	<u>36</u>
Cancer services								
Night Nursing		2,079	569	-	2,648	13	2,502	12
Oncology Liaison Nurses	4	134	-	-	134	1	266	1
Daffodil Nurses	5	30	-	-	30	-	30	-
Sundry Grants		-	-	-	-	-	337	1
		<u>2,243</u>	<u>569</u>	<u>-</u>	<u>2,812</u>	<u>14</u>	<u>3,135</u>	<u>14</u>
Allocated Support Costs		924	-	-	924	5	841	4
Total Programme		<u>6,527</u>	<u>2,985</u>	<u>1,203</u>	<u>10,715</u>	<u>56</u>	<u>11,186</u>	<u>54</u>
Charitable Activities, Research								
Irish Cancer Society Research Grants	6	1,259	1,569	-	2,828	15	3,367	17
Operating costs		458	-	-	458	2	310	1
Research support costs		185	-	-	185	1	168	1
		<u>1,902</u>	<u>1,569</u>	<u>-</u>	<u>3,471</u>	<u>18</u>	<u>3,845</u>	<u>19</u>
Charitable Activities, Advocacy								
Advocacy		314	-	-	314	1	299	1
Allocated support costs		185	-	-	185	1	168	1
		<u>499</u>	<u>-</u>	<u>-</u>	<u>499</u>	<u>2</u>	<u>467</u>	<u>2</u>

IRISH CANCER SOCIETY LIMITED
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND
INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2012

	<i>Notes</i>	2012 Unrestricted €'000	2012 Restricted €'000	2012 Designated €'000	2012 Total €'000	%	2011 Total €'000	%
Total charitable activities		8,928	4,554	1,203	14,685	76	15,498	75
Fundraising costs	7	2,973	690	-	3,663	19	3,990	20
Communication costs		388	-	-	388	2	367	2
Administration costs		554	-	-	554	3	505	3
Resources expended in year		<u>12,843</u>	<u>5,244</u>	<u>1,203</u>	<u>19,290</u>	<u>100</u>	<u>20,360</u>	<u>100</u>
NET SURPLUS	9	2,750	(39)	(1,203)	1,508		937	
Transfers across funds	8	(661)	(339)	1,000	-		-	
RESULT FOR THE FINANCIAL YEAR		<u>2,089</u>	<u>(378)</u>	<u>(203)</u>	<u>1,508</u>		<u>937</u>	

All income and expenditure derives from continuing operations.

The financial statements were approved by the Board of Directors on 25 April 2013 and signed on its behalf by:

Prof. J. Kennedy
Director

P. McMahon
Director

IRISH CANCER SOCIETY LIMITED
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CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2012

	<i>Notes</i>	2012 €'000	2011 €'000
Surplus for the financial year		1,508	937
Actuarial (loss)/gain on defined benefit pension scheme	18	(3,990)	140
Total recognised (losses)/gains		(2,482)	1,077

IRISH CANCER SOCIETY LIMITED
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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2012

	<i>Notes</i>	2012 €'000	2011 €'000
FIXED ASSETS			
Tangible assets	12	11,282	11,670
Financial assets	13	1	1
		<u>11,283</u>	<u>11,671</u>
CURRENT ASSETS			
Investments	14	5,036	4,784
Stocks		249	142
Debtors	15	952	1,174
Cash at bank and in hand		10,191	8,356
		<u>16,428</u>	<u>14,456</u>
CREDITORS: (Amounts falling due within one year)	16	(6,410)	(5,161)
NET CURRENT ASSETS		<u>10,018</u>	<u>9,295</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>21,301</u>	<u>20,966</u>
CREDITORS: (Amounts falling due after more than one year)			
Long term liabilities	16	(3,073)	(3,809)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>18,228</u>	<u>17,157</u>
Pension liability	18	(4,464)	(911)
NET ASSETS		<u>13,764</u>	<u>16,246</u>
FUNDS:			
Resources retained - designated	8	2,349	2,552
Resources retained - restricted	8	2,064	2,443
Resources retained - unrestricted		9,351	11,251
RECONCILIATION OF MOVEMENT OF RESOURCES	20	<u>13,764</u>	<u>16,246</u>

The financial statements were approved by the Board of Directors on 25 April 2013 and signed on its behalf by:

Prof. J. Kennedy
Director

P. McMahon
Director

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2012

	<i>Notes</i>	2012 €'000	2011 €'000
FIXED ASSETS			
Tangible assets	12	11,282	11,670
Financial assets	13	1	1
		<u>11,283</u>	<u>11,671</u>
CURRENT ASSETS			
Investments	14	5,036	4,784
Stocks		249	142
Debtors	15	952	1,174
Cash at bank and in hand		10,185	8,344
		<u>16,422</u>	<u>14,444</u>
CREDITORS: (Amounts falling due within one year)	16	(6,404)	(5,149)
NET CURRENT ASSETS		<u>10,018</u>	<u>9,295</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>21,301</u>	<u>20,966</u>
CREDITORS: (Amounts falling due after more than one year)			
Long term liabilities	16	(3,073)	(3,809)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>18,228</u>	<u>17,157</u>
Pension liability	18	(4,464)	(911)
NET ASSETS		<u>13,764</u>	<u>16,246</u>
FUNDS			
Resources retained - designated	8	2,349	2,552
Resources retained - restricted	8	2,064	2,443
Resources retained - unrestricted		9,351	11,251
RECONCILIATION OF MOVEMENT OF RESOURCES	20	<u>13,764</u>	<u>16,246</u>

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IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

	<i>Notes</i>	2012 €'000	2011 €'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	17(a)	2,354	1,881
RETURN ON INVESTMENTS AND SERVICING OF FINANCE			
Deposit interest received		223	259
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		223	259
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Purchase of fixed assets		(79)	(531)
Proceeds on sale of fixed assets		-	1
Net additions of investments		-	(2,581)
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(79)	(3,111)
FINANCING			
Repayments of borrowing		(314)	(312)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,184	(1,283)
Cash and cash equivalents at 1 January		7,257	8,540
Cash and cash equivalents at 31 December		9,441	7,257
Bank and cash		10,191	8,356
Bank overdraft facility	16	(750)	(1,099)
Cash and cash equivalents at 31 December		9,441	7,257

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention, with the exception of investments which are held at market value, and comply with financial reporting standards of the Financial Reporting Council and the requirements of the Companies Acts, 1963 to 2012.

BASIS OF CONSOLIDATION

The consolidated financial statements deal with the company and its wholly owned subsidiaries, Earlsfort Limited and Irish Cancer Society Research Limited, for the year ended 31 December 2012. All transactions between these companies have been eliminated in the preparation of the consolidated financial statements.

The investment in Conquer & Care Lotteries Limited is shown in the Company balance sheet as a financial fixed asset and is stated at cost less provision for impairment in value. It is accounted for in the Consolidated Balance Sheet using the equity method.

REVENUE

Revenue includes donations, bequests, collections and income from other fund raising activities. Revenue is analysed as Restricted, Unrestricted or Designated. Restricted funds represent income recognised in the financial statements, which is subject to specific conditions imposed by the donors or grant making institutions. Unrestricted funds represent amounts which are expendable at the discretion of the company, in furtherance of the objectives of the charity. Such funds may be held in order to finance working capital or capital investment. Designated Income is income received without any restriction but allocated to a particular area of expenditure by the directors.

No amount is included for bequests which will be received by the Society following the expiry of a life interest in the bequest, as the amounts involved are not capable of accurate financial measurement at this time.

RESEARCH GRANTS

Research grants, including fellowships and scholarships, are payable quarterly over three or four year periods. Approval and payment commences in October of each year, in line with the academic year. Grants are recognised in full in the financial statements in the year of approval as their full payment is not dependent on receipt of re-applications.

OTHER GRANTS

Other grants are recorded in full in the financial statements in the year in which they are approved.

SUPPORT AND ADMINISTRATION COSTS

Support and administration costs comprise the following

- salaries and pension costs for the following staff:
 - Accounts
 - Management and administration
 - Stores
 - Computer support
- general overheads including:
 - Insurance
 - Premises and other maintenance
 - Bank charges
 - Audit

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

DEPRECIATION

Provision is made for depreciation on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Charity shop	:	2% Straight line
Premises	:	2% Straight line
Fixtures and fittings	:	10% Straight line
Motor vehicles	:	25% Straight line
Furniture and equipment	:	20% Straight line
Computer equipment	:	33 $\frac{1}{3}$ % Straight line

LEASED ASSETS

The costs of operating leases are charged to the income and expenditure account as they accrue.

INVESTMENTS

Investments are stated at market value. Movements in market value are recognised in the Statement of Financial Activities and Income and Expenditure Account. Income from investments is recognised in the year in which it is receivable.

STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost is defined as invoice price.

PENSIONS

The Irish Cancer Society operates a hybrid pension scheme and a defined contribution pension scheme. Pension benefits under the hybrid scheme are funded over the employees' period of service by way of contributions to an approved fund. Contributions are based on actuarial advice and additional contributions are made from time to time at the discretion of the Board. The pension costs in respect of the hybrid pension scheme are charged to the Income and Expenditure account on a systematic basis based on actuarial calculations using the current service cost rate. Past service costs are recognised in the Income and Expenditure account on a straight line basis over the period in which the increases in benefit vest.

Differences between the amounts charged in the Income and Expenditure account and payments made to pension funds are treated as assets or liabilities.

Assets in the hybrid scheme are measured at their fair value at the balance sheet date. Defined benefit liabilities are measured on an actuarial basis using the projected unit method. The assets and liabilities of the hybrid scheme are subject to a full actuarial valuation by an external professionally qualified actuary triennially and are reviewed annually by the actuary and updated to reflect current conditions.

An excess in the value of the assets in the hybrid scheme over the present value of the scheme liabilities is recognised as an asset when the amount can be recovered through reduced contributions or refunds from the scheme. A shortfall in the value of the assets in the scheme below the present value of the scheme liabilities is recognised as a liability.

Actuarial gains and losses that arise on the valuation of the hybrid scheme's assets and liabilities are recognised through the Statement of Total Recognised Gains and Losses.

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. DAFFODIL DAY CAMPAIGN PROCEEDS	2012	2011
	€'000	€'000
Daffodil Day gross income	3,244	3,380
Less direct expenses	(717)	(902)
	<u>2,527</u>	<u>2,478</u>

2. FUNDRAISING ACTIVITIES, VOLUNTARY CONTRIBUTIONS AND OTHER INCOME

Other activities for generating funds include income from fundraising functions and events (including Movember, Shave Or Dye and Relay For Life), also included are lottery grants, collections and surplus from nineteen charity shops and Christmas card sales.

Voluntary Income includes income from bequests and donations.

Included in other income is a gain of €0.252m (2011: loss €0.053m) on investments and deposit interest income of €0.223m (2011: €0.259m).

Included in incoming resources from charitable activities is State funding of €0.096m (2011: €0.246m) for the operation of the Quitline and State and European Conference funding. Also included in incoming resources from charitable activities is a research grant from the Health Research Board, income from education seminars to the community and business sector on anti-tobacco and health awareness, and reimbursement for non-malignant night nursing patients. Total incoming resources from charitable activities amounted to €0.704m (2011: €0.933m).

Detailed income and expenditure accounts are set out below:

Shops and Christmas Cards Income and Expenditure Account	2012	2011
	€'000	€'000
Shop income and Christmas card sales	3,872	3,761
Operating costs	(2,777)	(2,799)
Operating income	<u>1,095</u>	<u>962</u>
Refurbishment	(28)	(11)
Net income	<u>1,067</u>	<u>951</u>

Lottery Income and Expenditure Account

Sale of tickets	319	313
Lottery compensation	190	210
	<u>509</u>	<u>523</u>
Less: Prizes	(138)	(115)
Running costs	(277)	(287)
Income from Lottery	<u>94</u>	<u>121</u>

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

3. CHARITABLE ACTIVITIES

Analysis of Expenditure

The Society analyses its expenditure across three pillars of activity: Programme (campaigns, activities and services), Research and Advocacy. To deliver on this work the Society incurs fundraising, communication and administration costs. Programme campaigns and activities are analysed below across the four main cancers (bowel, breast, lung and prostate), tobacco and other work that affects all cancers.

	Bowel €'000	Breast €'000	Lung €'000	Prostate €'000	Anti - Tobacco €'000	Other Cancers €'000	2012 Total €'000	2011 Total €'000
Strategic Targets								
Smoking Projects	-	-	58	-	645	-	703	660
Prevention & Early Detection Fighting Cancer	169	82	82	86	39	166	624	895
Cancer Information Services	154	154	154	154	-	155	771	769
Daffodil Centres	156	155	155	155	156	156	933	819
Professional & Patient Support	70	70	70	70	70	111	461	492
Patient Support Groups	259	272	32	261	-	258	1,082	1,158
Action Prostate Cancer	-	-	-	447	-	-	447	288
Cash Assistance Grants	214	214	214	214	-	214	1,070	1,055
Travel2Care Cash Assistance	14	142	28	38	-	150	372	409
Action Breast Cancer	-	109	-	-	-	-	109	188
Nursing Services	81	82	81	82	-	81	407	477
Direct Expenditure and Central Cost allocation	1,117	1,280	874	1,507	910	1,291	6,979	7,210

The Society allocates central and support costs across its activities to fairly represent the cost of delivering those activities. Allocations are based on direct and indirect staff involved, use of premises and IT infrastructure. Central costs are the costs of the premises (utilities, depreciation, repairs and maintenance) and IT infrastructure, support costs are management, administration, finance and HR services.

Included in the Income & Expenditure charge for the above six categories is the direct expenditure inclusive of the central cost allocation. The table below shows this total analysed between direct expenditure and central costs allocated.

	Bowel €'000	Breast €'000	Lung €'000	Prostate €'000	Anti - Tobacco €'000	Other Cancers €'000	2012 Total €'000	2011 Total €'000
Direct Costs of Strategic Targets	1,018	1,181	800	1,408	777	1,192	6,376	6,450
Central Costs allocated to Programme	99	99	74	99	133	99	603	760
	1,117	1,280	874	1,507	910	1,291	6,979	7,210

IRISH CANCER SOCIETY LIMITED
 (company limited by guarantee not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

3. CHARITABLE ACTIVITIES (CONTINUED)

Allocated Central Costs as a percentage of Total Programme costs:

	2012	2011
	€	€
	€'000	€'000
Charitable Activities Programme		
Programme	6,376	6,450
Allocated central costs	603	760
Statement of Financial Activities	<u>6,979</u>	<u>7,210</u>
Cancer Services		
Night Nursing Service	2,648	2,502
Oncology Liaison Nurse Grants	134	266
Daffodil Home Care Nurse Grants	30	30
World Cancer Leaders Summit (fully funded externally)	-	337
Statement of Financial Activities	<u>2,812</u>	<u>3,135</u>
Allocated Support Costs	924	841
Statement of Financial Activities	<u>10,715</u>	<u>11,186</u>
Allocated Support Costs as a percentage of Total Programme	10%	9%
Allocated Central Costs & Support Costs as a percentage of Total Programme	17%	17%

IRISH CANCER SOCIETY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

3. CHARITABLE ACTIVITIES (CONTINUED)

	2012 € €'000	2011 € €'000
Research		
Grants	2,828	3,367
Direct Operating costs	424	266
Allocated Central Costs	34	44
	<u>458</u>	<u>310</u>
Allocated Support Costs	185	168
Statement of Financial Activities	<u><u>3,471</u></u>	<u><u>3,845</u></u>
Allocated Central Costs & Support Costs as a percentage of Grants & Direct Costs	6%	6%
Advocacy		
Direct Operating Costs	237	200
Allocated Central Costs	77	100
	<u>314</u>	<u>300</u>
Allocated Support Costs	185	168
Statement of Financial Activities	<u><u>499</u></u>	<u><u>468</u></u>
Allocated Central Costs & Support Costs as a percentage of Advocacy Costs	52%	57%

The high allocation to Advocacy reflects the fact that the advocacy work is people based and there is a significant involvement of senior staff in the advocacy work of the Society. Advocacy campaign costs are included in Programme above.

	2012 € €'000	2011 € €'000
Fundraising		
Direct & Indirect Costs	3,518	3,802
Allocated Central Costs	145	188
Statement of Financial Activities	<u><u>3,663</u></u>	<u><u>3,990</u></u>
Allocated Central Costs as a percentage of total Fundraising Costs	4%	5%

Direct and Indirect costs of Fundraising include all campaign costs, advertising, materials and all staffing costs

Governance		
Communications	388	367
Administration Costs	554	505
	<u>942</u>	<u>872</u>

4. ONCOLOGY LIAISON NURSES

Grant aid is provided to support the cost of oncology liaison nurses in the following hospitals:

Hospital	Hospital
St. James's Hospital, Dublin	Cavan Hospital
St. Luke's Hospital, Dublin	University College Hospital, Galway
Beaumont Hospital, Dublin	Limerick Regional Hospital
Royal Victoria Eye & Ear Hospital, Dublin	South Infirmary, Cork
Our Lady of Lourdes Hospital, Drogheda	Adelaide & Meath Hospital, Tallaght, Dublin
South Infirmary – Victoria, Cork	

5. DAFFODIL FUNDED HOME CARE NURSES

The grant charged of €30,000 for a Daffodil funded home care nurse is the amount the Society contributes to the salary of a Daffodil funded home care nurse. The HSE and hospice groups are mainly the employing authorities of home care nurses.

6. IRISH CANCER SOCIETY RESEARCH GRANTS

The Irish Cancer Society awards research grants on a competitive, peer-reviewed basis. Research proposals must be recommended for funding by international (based outside the Republic of Ireland) experts before grants are awarded. In 2012, the Society continued to support researchers through Research Fellowship and Scholarship grants, clinical research through funding ICORG and investment in prostate cancer research in partnership with Movember. Movember is a global foundation which runs the Movember campaign in Ireland with the Society to fund the Society's prostate campaigns and research. The Society also continued its support for palliative care research. New funding grants were awarded to support the co-ordination of translational research and to investigate health inequalities in Cancer in Ireland.

Expenditure on the following grants was charged in 2012:

Recipient	Project Description	€
	<i>Biomedical</i>	
	<i>Prostate</i>	
Dr Laure Marignol Trinity College Dublin & St James	Prognosis potential of miRNAs in high-risk radiotherapy prostate cancer patients	297,372
Prof Therese Kinsella University College Dublin	Thromboxane (TX)A ₂ –mediated PRK1 signalling in Prostate Cancer: Does the TXA ₂ Receptor Serve as a Chemotherapeutic Target?	296,041
Dr Maria Prencipe University College Dublin	Building a pipeline for novel therapies in castrate-resistant disease: the SRF paradigm	235,000
Dr Mark Tangney University College Cork	Bacterial-mediated Therapy of Prostate Tumours	211,664
Mr James Evans University College Cork	The Use of Non-Viral Vectors to Effectively Silence Genes in Primary and Metastatic Prostate Cancer Models	145,980
	<i>Oesophageal</i>	
Dr Michelle Nyhan University College Cork	Investigation of the involvement of microRNAs in cell death susceptibility in Oesophageal Cancer	228,000
Dr Anne-Marie Byrne Trinity College Dublin & St James	Investigation of the role of GOLPH2 in oesophageal cancer progression and its potential use as a serum biomarker	213,199
Dr Katie O'Sullivan Trinity College Dublin & St James	Exploring the link between obesity and oesophageal adenocarcinoma: the role of STAT3 inhibition	149,000
Ms Deirdre Duff Trinity College Dublin & St James	Oesophageal cancer metastasis: investigation of the scaffolding protein RACK1 as a key player and therapeutic target	147,800
	<i>Colorectal</i>	
Ms Catriona Dowling University of Limerick	Targeting Protein Kinase C in Colorectal cancer	148,100
	<i>Colorectal & Gastrointestinal</i>	
Dr Aideen Ryan National University of Ireland, Galway	Molecular Regulation of the tumour Microenvironment in Colon Cancer Metastasis	234,789

IRISH CANCER SOCIETY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

6. IRISH CANCER SOCIETY RESEARCH GRANTS (CONTINUED)

Mr Michael Coleman University College Cork	<i>Breast</i> IFG-1-regulated Mitochondrial Protein PNC1 as a marker of breast cancer invasiveness.	148,540
Dr Harry Comber NCRI, Cork	<i>All Cancers</i> Social and special isolation as a determinant of cancer treatment and survival in Ireland.	134,690
Irish Clinical Oncology Research Group	<i>Clinical</i> Core Funding	300,000
Irish Clinical Oncology Research Group	Translational Funding	17,500
Molecular Medicine Ireland	Translational Funding	17,500
All Ireland Institute of Hospice and Palliative care	<i>Other</i> Palliative Care Funding	50,000
Irish Association for Cancer Research	Conference Support	15,000
Medical Research Charities Group	Core Grant	14,976
Refunds	Prior years grants unused and returned	(177,551)
Total		<u>2,827,600</u>

IRISH CANCER SOCIETY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

7. FUNDRAISING COSTS

Fundraising costs comprise the following:

	2012	2011
	€'000	€'000
Salaries and pension costs	1,294	1,236
Direct fundraising costs	2,036	2,332
Fundraising department overheads	333	422
	<u>3,663</u>	<u>3,990</u>

Direct fundraising consists of costs incurred directly in organising campaigns, events and functions. The decrease in direct fundraising costs largely reflects the reallocation of the Movember licence fee to a Movember Global Action programme that is investing in research in Ireland.

8. DESIGNATED AND RESTRICTED FUNDS

Designated Funds

The designated fund sets aside unrestricted income to ensure funds are available for the strategic areas of expenditure. They are analysed as the four main cancers, anti-tobacco and other cancers.

	Opening Balance	Transfers	Expenditure	Closing Balance
	as at	Y/E	Y/E	as at
	01/01/2012	31/12/2012	31/12/2012	31/12/2012
	€	€	€	€
Bowel Cancer	1,183,173	500,000	(242,234)	1,440,939
Breast Cancer	59,058	96,374	(155,432)	-
Lung Cancer	489,324	57,252	(213,678)	332,898
Prostate Cancer	309,058	-	(155,432)	153,626
Anti-tobacco	452,693	250,000	(280,468)	422,225
Other Cancers	59,058	96,374	(155,432)	-
	<u>2,552,364</u>	<u>1,000,000</u>	<u>(1,202,676)</u>	<u>2,349,688</u>

Included in the closing balance of €2,349,688 is €32,592 which is a designated fund for Daffodil Centres. This amount is analysed across the six headings above.

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

8. DESIGNATED AND RESTRICTED FUNDS (CONTINUED)

Restricted Funds

These are funds received where the donor or funder has specified how the funds are to be used.

	Opening Balance as at 01/01/2012 €	Transfers 2012 €	Income 2012 €	Expenditure 2012 €	Closing Balance as at 31/12/2012 €
Bowel	-	50,580	-	(50,580)	-
Breast	1,685,081	50,580	1,495,662	(1,154,277)	2,077,046
Lung	-	39,517	-	(39,517)	-
Mens' cancers	200,841	(150,261)	20,771	(71,351)	-
Tobacco	-	-	78,408	(78,408)	-
Other cancers	-	50,580	130,753	(181,333)	-
Lottery & other income	-	(189,775)	189,775	-	-
Research	-	-	912,077	(912,077)	-
Nursing care	-	-	496,342	(496,342)	-
Travel grants	556,640	(40,000)	-	(371,699)	144,941
Psychological support	-	(12,060)	12,060	-	-
Movember	-	(138,646)	1,868,332	(1,888,163)	(158,477)
	<u>2,442,562</u>	<u>(339,485)</u>	<u>5,204,180</u>	<u>(5,243,747)</u>	<u>2,063,510</u>

The lottery compensation fund of €189,775 has been spread across five headings above, shown in the transfers column.

During 2012, €327,578 (2011: €363,176) was expended on Travel 2 Care grants which are grants funded by NCCP. During 2012 this grants scheme was rolled out to all cancers, but the majority of grants still relate to breast cancer.

The Movember fund negative balance arose from a planned overspend on Movember sponsored projects in 2012 which will be reimbursed from Movember income in 2013.

9. NET SURPLUS FOR THE YEAR

	2012 €	2011 €
The net surplus for the year is stated after charging:		
Depreciation	463,988	484,830
Auditor's remuneration:		
- Audit of financial statements	22,000	22,000
- Other assurance services	3,675	3,675
- Tax advisory services	-	-
- Other non-audit services	-	2,000
Directors' remuneration	-	-
Loss on sale of fixed assets	1,839	292
Loan interest	22,137	12,805
	<u>493,649</u>	<u>522,532</u>

The auditor's remuneration is disclosed net of VAT. VAT of €5,905 (2011: €6,365) is not reclaimable by the Society.

The directors all serve in a voluntary capacity and do not receive any remuneration.

10. TAXATION

The company is exempt from taxation on Income (excluding Value Added Tax) under Section 207 Taxes Consolidation Act 1997.

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

11. EMPLOYEES AND REMUNERATION

The average number of persons employed by the group during the year is set out below:

	2012	2011
	Number	Number
Programme	40	36
Fundraising, advocacy and communications	36	34
Charity shops	44	42
Management and administration	28	25
Total	148	137

The aggregate payroll costs of these persons were as follows:

	€	€
Salaries	5,954,844	5,413,802
Social welfare costs	627,276	558,163
Pension service costs	148,000	446,000
Defined contribution employer cost	132,330	-
Total	6,862,450	6,417,965

Employee emoluments exceeding €100,000:

	2012	2011
	Number	Number
€100,000 - €124,999	1	1
€125,000 - €150,000	1	1

12. TANGIBLE ASSETS

Group and Company

	Charity Shop	Freehold Premises	Fixtures and Fittings	Motor Vehicles	Furniture and Equipment	Computer and Equipment	Total
	€	€	€	€	€	€	€
Cost:							
At 1/1/2012	931,877	12,326,357	155,906	71,158	643,045	739,095	14,867,438
Additions	-	-	1,470	-	23,102	54,086	78,658
Disposals	-	-	-	(17,170)	(95,603)	(15,870)	(128,643)
At 31/12/2012	931,877	12,326,357	157,376	53,988	570,544	777,311	14,817,453
Depreciation:							
At 1/1/2012	149,104	1,925,085	73,947	71,156	423,699	554,779	3,197,770
Charge for year	18,638	246,527	14,220	-	70,372	114,231	463,988
Disposals	-	-	-	(17,170)	(93,623)	(15,870)	(126,663)
At 31/12/2012	167,742	2,171,612	88,167	53,986	400,448	653,140	3,535,095
Net book amounts:							
At 31/12/2012	764,135	10,154,745	69,209	2	170,096	124,171	11,282,358
At 31/12/2011	782,773	10,401,272	81,959	2	219,346	184,316	11,669,668

IRISH CANCER SOCIETY LIMITED
(company limited by guarantee not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

13. FINANCIAL ASSETS

		Group		Company	
	% Held	2012 €	2011 €	2012 €	2011 €
Shares in group companies - unlisted					
Earlsfort Limited	100	-	-	127	127
Irish Cancer Society Research Limited	100	-	-	3	3
Shares in related company - unlisted					
Conquer & Care Lotteries Limited	50	635	635	635	635
		<u>635</u>	<u>635</u>	<u>765</u>	<u>765</u>
		<u><u>635</u></u>	<u><u>635</u></u>	<u><u>765</u></u>	<u><u>765</u></u>

In the opinion of the directors the value of the unlisted investments is not less than cost.

The investment in the related company comprises a 50% interest in ordinary allotted share capital of Conquer and Care Lotteries Limited, the registered office of which is Park House, Stillorgan Grove, Stillorgan, Co. Dublin. The investment comprises 500 ordinary shares of €1.27 each. The remaining 50% of Conquer and Care Lotteries Limited is held by a single shareholder. The aggregate amount of the capital and reserves of that company at 31 December 2012 amounted to €1,270 (2011: €1,270). The company made neither a profit nor a loss for the year ended 31 December 2012.

The Irish Cancer Society's interest in Conquer and Care Lotteries Limited is managed through a wholly owned subsidiary Earlsfort Limited. Irish Cancer Society has supported Earlsfort Limited to date and intends to continue its policy of providing financial support sufficient for Earlsfort Limited to continue trading at its present level and meet its liabilities as and when they fall due.

The company is also a joint member in Conquer and Care (N.I.) Limited, a company limited by guarantee and not having a share capital. Conquer and Care (N.I.) Limited made a Stg£Nil profit or loss for the year ended 31 January 2013 (2012: Stg£Nil) and had reserves of Stg£6,259 at 31 January 2013 (2012: reserves Stg£7,133).

Irish Cancer Society has supported Irish Cancer Society Research Limited to date and intends to continue its policy of providing financial support sufficient for Irish Cancer Society Research Limited to continue trading at its present level and meet its liabilities as and when they fall due.

The company is also a joint member in ASH Ireland, a company limited by guarantee and not having a share capital.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

14. INVESTMENTS

	Group € 2012	Group € 2011	Company € 2012	Company € 2011
Investment Funds				
At 1 January	4,783,379	2,256,185	4,783,379	2,256,185
Net additions	-	2,580,459	-	2,580,459
Fund adjustments	251,792	(53,265)	251,792	(53,265)
At 31 December	5,035,171	4,783,379	5,035,171	4,783,379
Prize Bonds				
At 1 January at cost	406	406	330	330
At 31 December at cost	406	406	330	330
Total included in 31 December Balance Sheet	5,035,577	4,783,785	5,035,501	4,783,709

Investment funds are included in the accounts at market value and any fluctuations are accounted for in the Statement of Financial Activities. Fund adjustments represent gains and losses earned by investments within the fund, investment income and fees.

15. DEBTORS: (Amounts falling due within one year)

	Group		Company	
	2012 €	2011 €	2012 €	2011 €
Trade and other debtors	460,010	617,749	460,010	617,749
Prepayments	447,070	531,791	447,070	531,791
Amounts owed by group companies	-	-	429	-
Amounts owed by related companies	44,522	24,709	44,522	24,709
	951,602	1,174,249	952,031	1,174,249

Amounts owed by related companies are owed by Conquer and Care Lotteries Limited (see Note 13).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

16. CREDITORS

Amounts falling due within one year:

	Group		Company	
	2012	2011	2012	2011
	€	€	€	€
Trade and other creditors	712,763	587,912	705,959	575,924
Accruals	964,063	632,010	964,781	632,010
Bowel cancer screening pledge	1,000,000	-	1,000,000	-
PAYE	219,263	215,435	219,263	215,435
Instalments due under grants payable	2,448,073	2,323,455	2,448,073	2,323,455
Bank overdraft	750,588	1,098,740	750,588	1,098,740
Term loan	315,529	303,529	315,529	303,529
	<u>6,410,279</u>	<u>5,161,081</u>	<u>6,404,193</u>	<u>5,149,093</u>

Amounts falling due after more than one year:

	Group		Company	
	2012	2011	2012	2011
	€	€	€	€
Instalments due under grants payable	2,713,274	2,122,554	2,713,274	2,122,554
Term loan	359,877	686,529	359,877	686,529
Bowel cancer screening pledge	-	1,000,000	-	1,000,000
	<u>3,073,151</u>	<u>3,809,083</u>	<u>3,073,151</u>	<u>3,809,083</u>

The long term loan relates to a mortgage on the premises. At 31 December 2012 repayments due within one year amounted to €315,529 (2011: €303,529) (included in creditors due within one year above). The bank has a fixed charge over the premises of the company as security.

IRISH CANCER SOCIETY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

17. CASH FLOW STATEMENT

a) Reconciliation of changes in net incoming resources to net cash inflow from operating activities

	2012	2011
	€'000	€'000
Net surplus for the year	1,508	937
Depreciation	464	485
Loss on disposal of fixed assets	2	1
Market value adjustments in investments	(252)	53
Increase in creditors	1,176	1,027
(Increase)/decrease in stocks	(106)	61
Decrease/(increase) in debtors	223	(80)
Deposit interest	(223)	(259)
Net impact of FRS 17	(438)	(344)
Net cash inflow from operating activities	2,354	1,881

b) Reconciliation of net cash flow to movement in net funds

	2012	2011
	€'000	€'000
Increase/(decrease) in cash and cash equivalents in the year	2,184	(1,283)
Decrease in borrowings:		
- Cashflows	314	312
- Other changes	-	-
Increase in liquid resources:		
- Cashflows	-	2,580
- Other changes	252	(53)
Movement in net funds in the year	2,750	1,556
Net funds at start of year	11,051	9,495
Net funds at end of year	13,801	11,051

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

18. PENSION COMMITMENTS

The company operates a hybrid pension scheme and a defined contribution pension scheme. The hybrid scheme is a combination defined benefit and defined contribution scheme. The information set out in this note relates to the hybrid scheme. Pension costs for the hybrid scheme are assessed in accordance with the advice of independent qualified actuaries using the projected unit method. For active and deferred categories of membership, the average life expectancy according to mortality assumptions used to calculate defined obligations at 65 years of age are 24.8 years for males and for females 26.0 years.

Changes in the present value of the defined benefit obligation in the year were as follows:

	2012	2011
	€'000	€'000
Opening defined benefit obligation	(8,089)	(7,850)
Service cost (including employee contributions)	(258)	(629)
Interest cost	(459)	(450)
Benefit paid	229	259
Actuarial (losses)/gains	(4,572)	581
Closing defined benefit obligation	<u>(13,149)</u>	<u>(8,089)</u>

Changes in the fair value of plan assets in the year were as follows:

	2012	2011
	€'000	€'000
Opening fair value of plan assets	7,178	6,455
Contributions (including employees)	698	947
Benefits paid	(229)	(259)
Expected return on plan assets	456	476
Actuarial gains/(losses)	582	(441)
Closing fair value of plan assets	<u>8,685</u>	<u>7,178</u>

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2012	2011
	%	%
Rate of general increase in salaries	4.00%	4.00%
Discount rate of scheme liabilities	3.50%	5.75%
Rate of pension increase	2.00%	2.00%
Inflation	2.00%	2.00%

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

18. PENSION COMMITMENTS (CONTINUED)

The expected long-term return and the market value of the scheme's assets at the year end were as follows:

	2012 %	At Year End 31 December		2011 €'000
		2012 €'000	2011 %	
Equities	6.0%	4,146	7.5%	3,132
Bonds	2.5%	3,195	4.0%	2,010
Other	5.5%	1,344	6.5%	2,036
		<u>8,685</u>		<u>7,178</u>

	2012 €'000	2011 €'000
The actual return on plan assets	<u>1,038</u>	<u>35</u>

The amounts recognised in the balance sheet are as follows:

Fair value of plan assets	8,685	7,178
Present value of funded obligations	(13,149)	(8,089)
Deficit in the scheme	<u>(4,464)</u>	<u>(911)</u>
Deferred tax asset	-	-
Net liability	<u>(4,464)</u>	<u>(911)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

18. PENSION COMMITMENTS (CONTINUED)

The amounts included in the performance statements are as follows:

	2012 €'000	2011 €'000
Current service cost	(148)	(446)
Expected return on pension scheme assets	456	476
Interest on pension scheme liabilities	(459)	(450)
Net interest (charge)/income included in investment income	(3)	26
Actual return less expected return on pension scheme's assets	582	(441)
Experience gains and losses arising on the scheme's liabilities	166	251
Changes in assumptions underlying the present value of the scheme's liabilities	(4,738)	330
Actuarial (loss)/gain included in the Statement of Total Recognised Gains and Losses	(3,990)	140

The movements in the deficit in the scheme during the year arose as follows:

	2012 €'000	2011 €'000
Deficit at beginning of year	(911)	(1,395)
Current service cost	(148)	(446)
Contributions	588	764
Other financial (charge)/income	(3)	26
Actuarial (loss)/gain	(3,990)	140
Deficit at end of year	(4,464)	(911)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

18. PENSION COMMITMENTS (CONTINUED)

History of defined benefit obligations, assets and experience gains and losses for the year ended 31 December 2012:

	2012 €'000	2011 €'000	2010 €'000	2009 €'000	2008 €'000
Defined benefit obligation	(13,149)	(8,089)	(7,850)	(6,973)	(6,215)
Fair value of plan assets	8,685	7,178	6,455	5,316	4,015
Deficit	(4,464)	(911)	(1,395)	(1,657)	(2,200)

Difference between the expected and actual return on plan assets:

	2012	2011	2009	2008	2007
Amount €'000	582	(441)	162	308	(1,772)

Experience losses/(gains) on plan liabilities:

Amount €'000	166	251	271	143	(202)
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Future contributions:

The company expects to contribute €488,033 employer contributions to the hybrid pension scheme and defined contribution pension scheme in 2013.

19. CONSTITUTION

The liability of the members of the company to contribute towards its assets is limited to an amount not to exceed the sum of €1.27 in each case.

20. RECONCILIATION OF MOVEMENT OF RESOURCES

	2012 €'000	2011 €'000
Balance at 1 January	16,246	15,169
Total recognised gains and losses	(2,482)	1,077
Balance at 31 December	13,764	16,246

21. PARENT COMPANY PROFIT & LOSS ACCOUNT

In accordance with Section 148(8) of the Companies Act, 1963 and section 7 (1A) of the Companies(Amendment) Act, 1986 the company is availing of the exemption from presenting its individual statement of financial activities and income and expenditure account to the annual general meeting. The company's surplus for the present year was €1,508,000 (2011: €937,000 surplus).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

22. FINANCIAL COMMITMENTS

Amounts payable during the next year in respect of leases which expire:

	2012	2011
	€	€
Within one year	36,000	38,494
Between two and five years	192,595	161,595
More than five years	438,974	419,480
	<u>667,569</u>	<u>619,569</u>

The leases are in relation to our charity shops, storage and office space.