

IRISH GUIDE DOGS FOR THE BLIND
(Not having share capital and limited by guarantee)

Directors' Report and Financial Statements
Year Ended 31 December 2014

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DIRECTORS AND OTHER INFORMATION

Directors at 28 May 2015

Mr E Murphy - Chair
Mrs B Clear – Vice Chair
J Dennehy - President and Co-founder
Mr T Aplin
Mrs D. Lang
Mr D MacEvilly
Ms M Maher
Mrs J McGrath
Mr N Palmer
Mr P Burke
Mr D Walsh
Ms J Browne

President

Mr J Dennehy

Chief Executive Officer

Mr Pdraig Mallon

Secretary and Registered Office

Mr Pdraig Mallon
Irish Guide Dogs for the Blind
National Headquarters and Training Centre
Model Farm Road
Cork

Registered Number: 55616

Independent Auditor

KPMG
Chartered Accountants
90 South Mall
Cork

Bankers

AIB Bank
Douglas Road
Cork

Bank of Ireland
Ballincollig
Co Cork

Solicitors

Ronan Daly Jermyn
Mahon
Cork

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 31 December 2014.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal status

Irish Guide Dogs for the Blind (IGDB) was founded in 1976. Our primary purpose is to enable persons who are vision impaired and families of children with autism achieve independence and dignity through our world-class guide dogs, assistance dogs and ancillary services.

IGDB is incorporated under the Companies Act, 1963, as a company limited by guarantee without having share capital. It is guaranteed by its paid-up members to the extent of €20 per member. Total paid-up members at 31 December 2014 were 62 (2013: 91).

IGDB is a charity registered with the Revenue Commissioners – Registration number CHY6006

Organisation

The Board of IGDB is made up of twelve Directors, all of whom, with the exception of the 'continuing members' as defined in the organisation's Articles of Association, are elected in general meeting from among the membership. Recruitment of new Directors is open and transparent and focused on creating a diverse and effective team who will effectively contribute to the strategic direction and oversee the operations.

The members of the Board are listed on page 2. In line with best practice in corporate governance no Director can be appointed to any salaried position.

IGDB operates under a comprehensive Board Charter which sets out the Board's responsibilities and terms of reference as articulated within the framework of the Memorandum and Articles of Association.

The following Sub-Committees are in place:

1. Audit, Risk & Compliance and Investment Sub Committee with responsibility for review of: financial reporting, risk management, audit and compliance matters, management of investments and cash reserves; and responsibility for selecting and liaising with the Auditors, Legal representatives and investment managers.
2. Nominating and Governance Sub-Committee with responsibility for governance matters, Board appointments, IGDB policies, review of management performance, oversight of Human Resource metrics, and on-going review of key initiatives including Statement of Guiding Principles for Fundraising, Garda Vetting and Complaints Policy.
3. Training and Development Sub-Committee with responsibility for oversight of strategic and operational plans in relation to client services, dog training and research.
4. Fundraising Sub-Committee with responsibility for oversight of fundraising strategies with particular focus on support for volunteers and the development of sustainable increased income levels to fund service provision.

The Sub-Committees are made up of Board members, management and external specialists who volunteer their expertise to progress the Sub-Committee agenda.

Responsibility for the day to day management and administration of IGDB is delegated to the Chief Executive assisted by the management team. The Chief Executive manages IGDB in accordance with the strategy, plans and delegations as approved by the Board of Directors.

The Directors have responsibility for, and are aware of the risks associated with the operating activities of IGDB. The risks are set out in Section 5 below. Oversight of risk management initiatives have been delegated to the Audit, Risk & Compliance and Investment Sub-Committee. The Board retains overall responsibility which has

DIRECTORS' REPORT – continued

been codified within the Board Charter. The Directors are satisfied that appropriate procedures and internal control systems are in place to manage the risks.

Directors

The following Directors were appointed in the year:

Ms Jacqui Browne (12 April 2014)

In accordance with the Articles of Association (Article 41) the following Directors retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting:

Mr P Burke
Mrs J McGrath
Ms M Maher
Mr D Walsh

2. OBJECTIVES AND ACTIVITIES OF THE CHARITY

The Board of Directors, management and staff have worked together to review and realign the Vision, Mission and Values. The work done was very important to ensure that the Board, management and staff have full clarity on the core purpose of the organisation, what we are working towards and the values and behaviours which will ensure we achieve our goals in the interests of our stakeholders. The revised statements are set out below.

Our Mission

To Empower Clients with disabilities to reach their full potential with unlimited opportunities to live enriched lives.

Our Vision

IGDB is a collaboration of its Clients, Staff, Volunteers, and Supporters; and it's Board.

We work with Clients of all ages, principally those who are blind; are vision impaired; or are children with autism and their families.

Our dogs and our independent living support services are acknowledged as being central to facilitating increased mobility, independence and quality of life for our Clients.

The care, welfare and love of our dogs, at all levels, is paramount to our success.

Our dedicated, committed Staff generously welcome Clients to participate in our world class services which are of the highest professional standard and are continuously being improved through ongoing learning and research.

We benefit from and are dependent on a community of Volunteers who give generously of their time working at Headquarters, acting as Puppy Walkers and tirelessly raising funds.

To provide the highest quality of services in partnership with our Clients while planning for the future and valuing Clients, volunteers and each other.

DIRECTORS' REPORT – continued

Our Values

All of our interactions with others will be guided by six core Values as follows:-

- Respect
- Teamwork
- Optimism
- Conscientiousness
- Integrity
- Excellence

All who engage with IGDB – internally and externally – will witness these Values in-action by observing that:-

Respect

We treat all people with Respect because we believe in the dignity of each individual. We act with courtesy, generosity and empathy when we engage with others.

Teamwork

We know that we cannot solve all Clients problems on our own. Through Teamwork we create the conditions where Client needs are addressed by unifying our individual talents in a collaborative way that is personally satisfying.

Optimism

We are full of hope. We see every opportunity in every difficulty, our ambition is bounded only by our imagination, and we believe that with resilience and confidence we will achieve our goals.

Conscientiousness

We willingly accept our responsibilities and acknowledge our accountabilities. We greatly value our legacy; we protect, nurture and enhance it; and we pass it on intact to those who follow us.

Integrity

When we live the Integrity Value we promote IGDB as a safe and ethical organisation. The hallmark of the IGDB community will be honesty, fairness and trust.

Excellence

In implementing the Excellence Value we strive for quality, innovation and professionalism in all that we do and so create the conditions for a meaningful life purpose. We allow individuals to use their gifts in the service of something greater than themselves, for instance care & support of others.

Our Business Plan for the period 2015 to 2017 is focused at placing the Client at the heart of everything we do. We will focus on delivering this by increasing efficiencies and effectiveness, to build a trusted brand nationally. The primary objective is to secure the future of the organisation, through increasing our fundraising incomes, maintaining government grants, and controlling our costs. Our target is optimise the number of clients whom we train and support helping them live more independently and improving their quality of life, whilst meeting their individual needs.

We are greatly indebted to our nationwide network of volunteers whose commitment to raising our pups and dogs, raising the funds which we need to provide services are what enable us to work today and plan for tomorrow.

DIRECTORS' REPORT – continued

MAIN ACTIVITIES OF THE YEAR

Client Training

In 2014, we trained a total of 231 people (2013: 197), our highest number to date. In addition to this, we also placed 12 companion dogs with children and adults with disabilities (2013: 11). As at the year end, there were 440 working Guide Dogs and Assistance Dog partnerships (2013: 419).

We are pleased to have trained 29 Guide Dog Teams, 27 Assistance Dog Teams, and a further 47 people in Orientation and Mobility (Long Cane) and we trained 47 vision impaired persons in Independent Living Skills, and 12 people participated in Gardening Skills. We worked with 7 young adults on the Next Step training programme. A further 62 visually impaired children and young adults were supported and trained through our Child Mobility Programme which has been offered in conjunction with the Department of Education and Skills since 1999. It is positive to see the progress these children have made, as they move through the challenges of education and life, as a direct result of the support that they have received from IGDB with their mobility and life skills.

Our Board, staff and management, working in partnership with our clients and volunteers, are committed to improving the quality of our services and to training an increased number of people. Through training an increased number of people we will ensure that we deliver on our mission and the make the best use of the funds which have been donated to us.

Volunteers

At the core of our work is a committed network of volunteers who support the breeding and training of our dogs and who raise the funds which enable us to deliver our services. Our strategic and operational plans are focussed on serving them better and ensuring that they feel recognised and rewarded for their extraordinary commitment. We are also focussed on recruiting additional volunteers to enable us to better care for our dogs, work with our clients and crucially raise the funds which will enable us to deliver our vision.

In response to feedback from volunteers and in consultation with them a number of initiatives were undertaken in 2014 to improve our service, communications and support for volunteers. This is an ongoing initiative which is being prioritised by Board, management and staff and reflects the importance of volunteers to our current activities and future plans.

Strategy and Governance

In December 2014, the Board of Directors approved a 3 year plan for the period to 2017. The plan is focused on annual growth in fundraising income and building capacity at all levels to attract and retain volunteer support in all areas of the organisation. The additional resources will enable us to train an increased number of people and strengthen our support to these clients.

We continue to develop our governance processes and controls in order to reassure the public, our supporters and donors that their commitment, either in time or money, will be used appropriately to support an increased number of people who require our services.

In 2013, our Board of Directors adopted The Governance Code for Community and Voluntary Organisations in Ireland. Our fundraising activities are planned and delivered in line with The Statement of Guiding Principles for Fundraising.

Fundraising

We are very grateful to our nationwide network of volunteers for their significant efforts in generating the majority of the income which we received in 2014. Through their efforts in the community across the year they have encouraged thousands of people to donate funds to IGDB. Our volunteers have the trust and respect in their community which reassures donors and helps forge a local connection between the donor and the organisation which they are supporting.

DIRECTORS' REPORT – continued

We greatly appreciate the generosity, the thousands of individual donors, both at home and abroad who through their generosity enable us to deliver world class services today and to plan for the future. We are grateful to the increased number of corporate supporters for their financial support either directly or through their employees. We recognise the very valuable contribution of a number of companies and individuals who give their time, products and services at no cost or at significantly reduced rates.

We are grateful to the Health Services Executive, The Department of Health and The Department of Education and Skills for their financial support. We are committed to securing additional financial support from statutory agencies and government. Our services have a significant impact on the people whom we work with, their families and in the wider community. In most cases the impact is life changing. The level of funding is proportionally lower than that which is received by peer organisations and we are working to have this addressed.

In lobbying for additional support, it is important that we have access to quality research which helps to build the validity of our case. We are grateful to the Department of Epidemiology and Public Health at University College Cork for conducting a major study of our Assistance Dogs programme for families of children with autism. This research was completed at no cost to IGDB, we are very grateful to the team at UCC for their generous support. The results of the study was published in mid-2014 (it featured in the prestigious British Medical Journal). The research provided qualitative and quantitative validation of the enormous impact of the programme. Further research initiatives are planned and we look forward to using the outcomes to improve our services and better serve our clients.

3. FINANCIAL REVIEW

Results for the year

The financial results for the year ended 31 December 2014 are shown in the Statement of Financial Activities on page 18.

Total incoming resources amounted to €4,401,000 (2013: €5,030,000). Total resources expended were €4,463,000 (2013: €4,202,000).

Income

In the year, total voluntary income from donations and fundraising increased by €72,500 from €2,664,000 to €2,736,500.

The role played by our fundraising branches and volunteers is invaluable and is one of the cornerstones on which our future plans are built. In spite of a challenging economic climate, voluntary income raised by branches and volunteers increased in the year by 3%.

Multi-annual funding received from The Health Service Executive (HSE) through a Section 39 grant decreased by 0.4% against 2013. In 2014, statutory funding represented 19% (2013: 17%) of total income.

Income from legacies in the year was €608,000 (2013: €1,336,000).

Expenditure

In line with best practice, expenditure is disclosed in accordance with Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005).

Total expenditure (€4,463,000) increased by €262,000 (6%) against 2013.

Resources expended on charitable activities were €2,971,000 (2013: €2,823,000) which amounted to 66.5% (2013: 67%) of total expenditure. This increase is due to increased headcount, offset by a number of cost savings. A breakdown of expenditure is included in note 6 to the financial statements. The cost of generating funds was €1,329,000 (2013: €1,230,000) which amounts to 30% (2013 29%) of total expenditure. This increase in costs relates to the investment in a direct marketing campaign to cover a larger geographical area,

DIRECTORS' REPORT – continued

and additional activity to secure increased commitment. The return on investment (ROI) from this investment is in line with budget.

The direct marketing campaign continued the sponsor a pup theme. The objective is to build a bank of committed donors who will maintain support for IGDB over a protracted period. The campaign enables us to reach donors who may not necessarily have an opportunity to give through our branch fundraising events. The campaign has met its financial targets for 2014.

Future developments and outlook for 2015

Despite enormous goodwill and public support the economic downturn continues to create a difficult environment for our fundraising activities. The Board and management have considered the current environment in preparing the 2015 - 2017 Business Plan and 2015 financial budget. It is anticipated that the outcome for 2015 will be a trading deficit which will be funded from working capital funds.

The key challenge for Board management, staff is to ensure that that our income targets are met.

Commitment to Standards in Fundraising Practice

The Board of IGDB is committed to the standards contained within the Statement of Guiding Principles for Fundraising.

The Statement is designed to:

- improve fundraising practice;
- promote high levels of accountability and transparency by organisations fundraising from the public; and
- provide clarity and assurances to donors and prospective donors about the organisations they support.

IGDB has considered the Statement and believe that we meet the standards it sets out.

We welcome your feedback on our performance. Contact points are available on www.guidedogs.ie.

DIRECTORS' REPORT – continued

	<u>2014</u>
Reserves	€'000
Net outgoing unrestricted reserves for the financial year	(62)
Decrease in restricted reserves in the year	-
Unrealised gain on revaluation of investments	103
Total funds at the start of the year	<u>11,675</u>
Total funds at end of year	<u>11,716</u>
Reserves at 31 December 2014 comprise:	
Restricted funds	-
Unrestricted funds	
Designated funds:	
- working capital fund	2,314
- tangible fixed asset fund	4,989
- long-term financial asset fund	2,428
- project funds	<u>1,985</u>
Total funds at end of year	<u>11,716</u>

It is the policy of IGDB to retain sufficient reserves to safeguard the continuity of its programmes and ensure adequate aftercare for clients.

Reserves policy

Restricted funds:

Restricted funds represent grant income and donations received which are subject to specific conditions imposed by the donors or grant making institutions. They are not available for the general purposes of IGDB.

Expenditure which meets these conditions is shown as charged to the fund.

Unrestricted funds:

General funds: these represent amounts which can be used at the discretion of IGDB, in furtherance of our charitable objectives. Such funds may be held in order to finance working capital or capital investment or to fund new programmes. Our aim is to have twelve months' working capital available in the fund at any time.

Designated funds: IGDB may at its discretion, and/or with the agreement of the original donor(s), set aside funds for specific purposes in the furtherance of our charitable objects which would otherwise form part of the general reserves of the organisation.

Designated funds are categorised into:

- working capital fund
- tangible fixed asset fund
- long term financial asset fund
- project fund

DIRECTORS' REPORT – continued

Reserves policy *(continued)*

Unrestricted funds: *(continued)*

At the end of 2014 funds were designated to cover the following:

- a) to cover potential deficits in 2015 and 2016
- b) to recognise that a portion of reserves is invested in the charity's fixed assets and therefore not available for other purposes
- c) to ensure the continuity of operations in the event of a significant temporary drop in income
- d) to ensure that new projects have sufficient capital to allow them to be completed without impacting on general working capital

The level of reserves is reviewed by the Directors on an on-going basis. It is assumed that restricted reserves will be used as soon as reasonably possible. We recognise the importance of a robust reserve policy as a strategy in dealing with uncertainty in income arising from a challenging economic environment.

Investment policy

Our policy is that funds not immediately required for operational purposes are invested in interest bearing deposits, and appropriate investment products.

From time to time, IGDB has received donations in the form of shares through bequests etc. Shares held by IGDB are managed by specialist investment advisors. The performance of the investment portfolio is actively monitored by the Audit, Risk & Compliance and Investment Sub Committee.

In 2014, the unrealised gain recognised in respect of the valuation of these investments was €103,000 (2013: €131,000).

4. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland.

Irish company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Acts, 1963 to 2013. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT – continued

5. ORGANISATIONAL RISK MANAGEMENT AND INTERNAL CONTROL

The Audit, Risk & Compliance and Investment Sub Committee (working with Senior Management) monitor and review the level of operational and financial risks. The Directors retain overall responsibility for risk management.

A full risk review has been completed which covered the following main risk areas:

- a) Funding
- b) Governance and management
- c) Operational risk
- d) Financial risk
- e) Environmental/external factors
- f) Compliance risk
- g) IT and systems

The key risks identified are:

- The availability of funding both statutory and voluntary
- The impact on services to clients arising from a decrease in available funds
- Changes in legislation
- Recruiting and retaining a skilled and experienced management and staff to deliver the business plan and organisational change programme.

Appropriate policies and procedures are in place to control and minimise risk. The following are examples of the areas covered by these policies:

- a) Human resources policies and procedures
- b) Employee engagement programme
- c) Staff development and training
- d) Communications plan
- e) Volunteer support programme
- f) Fundraising plan
- g) Brand Redevelopment
- h) Child Protection
- i) Garda Vetting
- j) Board Charter
- k) Occupational health and safety
- l) Financial and treasury controls
- m) Asset protection

6. GOING CONCERN

The Directors have a reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the financial statements.

DIRECTORS' REPORT – continued

7. STAFF AND VOLUNTEERS

The Directors express their appreciation to both the staff and volunteers, for their ongoing contribution to IGDB. Their hard work, dedication and collaborative efforts are the cornerstone of our success.

IGDB is an equal opportunities employer. The aim of its equal opportunities policy is to ensure that all people receive equality of opportunity with IGDB regardless of gender, race, religion, disability, nationality, marital/family status or sexual orientation.

A Volunteer policy is in place to ensure that volunteers receive appropriate support and recognition for their invaluable commitment.

For the year ended 31 December 2014, the average remuneration for staff remained at €35,000.

Details of remuneration paid to staff in the year ended 31 December 2014 are as follows;

Remuneration (including BIK, excluding PRSI & pension contributions) can be categorised as follow:	2014	2013
100,000 – 109,999	1	1
70,000 – 79,999	1	1
60,000 – 69,999	1	1
50,000 – 59,999	3	2
	<hr/>	<hr/>

8. EVENTS SINCE THE YEAR-END

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

9. POLITICAL DONATIONS

IGDB did not make any political donations in the year (2013: €Nil).

10. BOOKS OF ACCOUNT

The measures taken by Directors to secure compliance with the company's obligation to keep proper books of account are the use of appropriate systems and employment of competent persons. The books of account are kept at The National Headquarters and Training Centre, Model Farm Road, Cork.

11. COMPANIES (AMENDMENT) ACT, 1986

The reporting requirements of the Companies (Amendment) Act, 1986, relating to financial statements do not apply to the company, as it is a company limited by guarantee not having a share capital.

DIRECTORS' REPORT – continued

12. INDEPENDENT AUDITOR

In accordance with Section 160 (2) of the Companies Act 1963, the independent auditor, KPMG, Chartered Accountants will continue in office.

On behalf of the Board



Mr Eddie Murphy

Chair



Ms Barbara Clear

Vice Chair



KPMG
Audit
90 South Mall
Cork
Ireland

Independent auditor's report to the members of Irish Guide Dogs for the Blind

We have audited the financial statements ("financial statements") of Irish Guide Dogs for the Blind for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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 auditor

As explained more fully in the Statement of directors' responsibilities set out on page 10 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 Ethical Standards for Auditors issued by the Financial Reporting Council.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company 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 annual report 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 on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31 December 2014 and of its results for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2013 .



KPMG
Audit
90 South Mall
Cork
Ireland

Independent auditor's report to the members of Irish Guide Dogs for the Blind *(continued)*

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

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

The financial statements are in agreement with the books of account and, in our opinion, proper books of account have been kept by the company.

In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

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

Barrie O'Connell

for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

28 May 2015

90 South Mall

Cork

ACCOUNTING POLICIES

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

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2013. Accounting standards generally accepted in Ireland, in preparing financial statements giving a true and fair view, are those issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

The company has applied the recommendations contained in the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005) in preparing the financial statements.

The format of the analysis and disclosure of expenditure has been changed to comply fully with the Statement of Recommended Practice in the statement of financial activities on page 18 and in notes 5 and 6.

Accounting convention

The financial statements are prepared in euro under the historical cost convention.

Incoming resources

Incoming monetary resources are included in the statement of financial activities only when realised in the form of cash or other assets, the ultimate realisation of which can be assessed with reasonable certainty. The company, in common with many similar charitable organisations, derives a proportion of its income from voluntary donations and fund raising activities held by individuals/parties outside the control of the company. Income from fundraising, voluntary subscriptions and donations is necessarily recognised with effect from the time it is received into the company's bank accounts or entered into the company's accounting records.

Legacy income is recognised in the accounting period that it is received or when it is reasonably certain that the legacy will be received and the value of the legacy can be measured with sufficient accuracy. In these circumstances, the legacy income must have been received post year end, and the personal representatives must have agreed to the amount thereof prior to the year end.

Assets donated under bequests or otherwise are included in the statement of financial activities at their value to the association on the date of receipt.

Investment income is recognised in the statement of financial activities on an accruals basis.

Tangible assets

Land is stated at cost. Tangible assets other than land are stated at cost less accumulated depreciation. Depreciation is calculated in order to write off the cost of tangible assets, other than land, over their estimated useful lives.

The estimated useful lives of tangible assets by reference to which depreciation is calculated are as follows:

Buildings	50 years
Motor vehicles	5 years
Furniture and fittings	10 years
Office equipment	5 years
Land	Not depreciated

Financial assets

Financial assets - investments are stated at market value. Quoted securities have been valued at the bid price at close of business at the year-end date.

Guide dogs/assistance dogs

The cost of acquiring, maintaining and training dogs is charged in the period in which the expenditure is incurred.

ACCOUNTING POLICIES - continued

Stocks

Stocks, which consist solely of consumable stores, are stated at the lower of cost and net realisable value. Cost comprises invoice price. Net realisable value comprises the actual or estimated worth through use in the association's activities.

Pensions

The company operates a defined contribution pension scheme. The company's contributions to the scheme are charged in the statement of financial activities on an accruals basis.

Capital grants

Grants received in respect of capital expenditure are treated as a deferred credit and are amortised to the statement of financial activities on the same basis as the related assets are depreciated.

Revenue grants

Grants and assistance to fund non-capital expenditure are credited to the statement of financial activities in the period in which the related expenditure is incurred.

Taxation

No charge to taxation arises due to the exempt status of IGDB. Irrecoverable value added tax is expensed as incurred.

Restricted and unrestricted reserves

The IGDB operates the following funds:

Restricted funds:

Restricted funds represent income, which has been received and recognised in the financial statements, which is subject to specific conditions imposed by the donors or grant making institutions. Donations or grants may become repayable in the event that the conditions of the related agreements are not adhered to. These funds are not available for the general purposes of IGDB.

Expenditure which meets these conditions is shown as charged to the fund.

Unrestricted funds:

General funds: these represent amounts which can be used at the discretion of IGDB, in furtherance of the objects of the charity. Such funds may be held in order to finance working capital, capital investment or new programmes.

Designated funds: these represent amounts that IGDB may at its discretion set aside for specific purposes which would otherwise form part of the general reserves of the charity. Specifically, IGDB has set aside funds to protect ongoing work from unexpected variations of income, finance tangible assets for ongoing use by the charity and fund any future budgeted deficits.

Capital funds: these reflect the net value of fixed assets purchased by IGDB less capital grants outstanding on those assets.

Resources expended

Resources expended are accounted for when they are incurred and include amounts due at the end of the year but not paid. Resources expended include attributable value added tax which cannot be recovered.

Governance costs

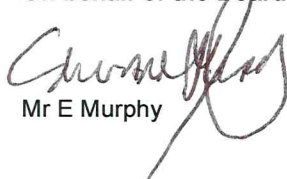
Governance costs are the costs associated with the stewardship arrangements of the charity. They comprise costs arising from the constitutional and obligatory arrangements, as well as the costs associated with the strategic management of the company's activities. Typical costs would be audit and legal fees, direct salary and overhead costs incurred in the strategic as opposed to the day to day management of the organisation.

STATEMENT OF FINANCIAL ACTIVITIES
Including income and expenditure account and statement of recognised gains and losses
Year Ended 31 December 2014

	Notes	Unrestricted funds 2014 €'000	Restricted funds 2014 €'000	Total 2014 €'000	Total 2013 €'000
Incoming resources					
<i>Incoming resources from generated funds:</i>					
- Voluntary income	1	2,553	183	2,736	2,664
- Legacies		608	-	608	1,336
- Investment income	2	151	-	151	133
<i>Incoming resources from charitable activities:</i>					
- Grant income	3	-	837	837	839
Other incoming resources	4	69	-	69	58
Total incoming resources		<u>3,381</u>	<u>1,020</u>	<u>4,401</u>	<u>5,030</u>
Resources expended					
Charitable activities	5	(1,922)	(1,020)	(2,942)	(2,823)
Costs of generating funds	5	(1,337)	-	(1,337)	(1,230)
Governance costs	5	(184)	-	(184)	(149)
Total resources expended		<u>(3,443)</u>	<u>(1,020)</u>	<u>(4,463)</u>	<u>(4,202)</u>
Net (outgoing)/incoming resources before other recognised gains and losses	7	(62)	-	(62)	828
Unrealised gain/(loss) on revaluation of investments	11	103	-	103	131
Net movement in funds		<u>41</u>	<u>-</u>	<u>41</u>	<u>959</u>
Reconciliation of funds					
Total funds brought forward	15	11,675	-	11,675	10,716
Total funds carried forward	15	<u>11,716</u>	<u>-</u>	<u>11,716</u>	<u>11,675</u>

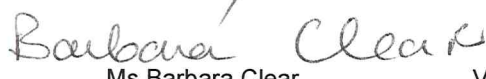
Incoming resources and the net incoming resources arose solely from continuing activities.

On behalf of the Board



Mr E Murphy

Chair



Ms Barbara Clear

Vice-Chair

Irish Guide Dogs for the Blind
(not having share capital and limited by guarantee)

BALANCE SHEET
31 December 2014

	Notes	2014 €'000	2013 €'000
Fixed assets			
Tangible assets	10	6,974	7,041
Financial assets – investments	11	2,428	2,250
		<u>9,402</u>	<u>9,291</u>
Current assets			
Bank balances and cash		4,497	4,720
Debtors		68	17
Stocks	12	80	83
		<u>4,645</u>	<u>4,820</u>
Current liabilities			
Creditors - Amounts falling due within one year	13	<u>(346)</u>	<u>(386)</u>
Net current assets		<u>4,299</u>	<u>4,434</u>
Total assets less current liabilities		13,701	13,725
Creditors - Amounts falling due after more than one year	14	<u>(1,985)</u>	<u>(2,050)</u>
		<u>11,716</u>	<u>11,675</u>
Represented by			
Restricted funds	15	-	-
Unrestricted funds	15	11,716	11,675
		<u>11,716</u>	<u>11,675</u>

On behalf of the Board



Mr E Murphy

Chair



Ms Barbara Clear

Vice-Chair

CASH FLOW STATEMENT
Year Ended 31 December 2014

	Notes	2014 €'000	2013 €'000
Net cash outflow from charitable activities	16	<u>(178)</u>	<u>952</u>
Returns on investments and servicing of finance			
Investment in financial assets		-	(1,000)
Proceeds from sale of financial assets		-	-
Interest		64	81
Dividends		<u>87</u>	<u>54</u>
		<u>151</u>	<u>(865)</u>
Capital expenditure			
Purchase of tangible fixed assets		(196)	(122)
Proceeds on sale of vehicle		<u>-</u>	<u>6</u>
		<u>(196)</u>	<u>(116)</u>
Decrease in cash in the year	16	<u>(223)</u>	<u>(29)</u>

On behalf of the Board



Mr E Murphy

Chair



Ms Barbara Clear

Vice-Chair

NOTES TO THE FINANCIAL STATEMENTS

1 Voluntary income	2014 €'000	2013 €'000
Donations and fundraising - branch funding	2,154	2,194
Donations and fundraising - other	581	468
Members' subscriptions	1	2
	<u>2,736</u>	<u>2,664</u>
Made up as follows:		
Unrestricted income	2,553	2,523
Restricted income	99	23
Restricted income (Assistance dogs' programme)	84	118
	<u>2,736</u>	<u>2,664</u>
 2 Investment income	 2014 €'000	 2013 €'000
Bank interest receivable	64	79
Dividends receivable	87	54
	<u>151</u>	<u>133</u>
 3 Grant income	 2014 €'000	 2013 €'000
Restricted grant income		
Health Services Executive grants – visually impaired support services		
HSE Southern	738	741
HSE Northern	15	14
HSE North West	15	15
	<u>768</u>	<u>770</u>
 Child Mobility Programme		
Department of Education and Skills	69	69
	<u>69</u>	<u>69</u>
 Total grant income	 <u>837</u>	 <u>839</u>
 4 Other incoming resources	 2014 €'000	 2013 €'000
Sale of dogs and dog equipment	69	58
	<u>69</u>	<u>58</u>

NOTES TO THE FINANCIAL STATEMENTS

5 Resources expended

In accordance with the Statement of Recommended Practice (revised 2008) "Accounting and Reporting by Charities", resources expended are analysed as follows.

	Generating voluntary income €'000	Charitable activities (note 6) €'000	Management and administration €'000	Governance €'000	Total 2014 €'000	Total 2013 €'000
Maintenance, expenses of dogs and other direct costs	-	295	-	-	295	324
Food allowance – dogs	-	11	-	-	11	11
Research costs	-	-	-	-	-	-
Support costs;						
Staff remuneration and other staff costs	437	1,738	374	86	2,635	2,433
Travel, subsistence and motor expenses	6	57	104	1	168	145
Premises, IT and communications	3	65	422	2	492	508
Fundraising costs including advertising	730	5	2	-	737	694
Professional fees and other costs	-	-	64	61	125	87
Subtotal	1,176	2,171	966	150	4,463	4,202
Allocation of support costs to activities	161	771	(966)	34	-	-
Total resources expended - year ended 31 December 2014	1,337	2,942	-	184	4,463	4,202
Total resources expended - year ended 31 December 2013	1,230	2,823	-	149	4,202	-

NOTES TO THE FINANCIAL STATEMENTS

6 Charitable activities expenditure	Guide dogs programme €'000	ILS and long cane programmes €'000	Assistance dogs programme €'000	Child mobility programme €'000	Total 2014 €'000	Total 2013 €'000
Maintenance and expenses of dogs (including technical equipment)	279	9	7	-	295	324
Food allowance – dogs	11	-	-	-	11	11
Research costs	-	-	-	-	-	-
Support costs						
Staff remuneration and other staff costs	995	76	610	57	1,738	1,650
Travel, subsistence and motor expenses	38	3	9	7	57	58
Premises, IT and communications	55	-	10	-	65	44
Professional fees and other costs	4	-	1	-	5	5
Subtotal	1,382	88	638	64	2,171	2,092
Allocation of support costs to activities	394	54	304	19	771	731
Total charitable activities expenditure - year ended 31 December 2014	1,776	142	942	82	2,942	2,822
Total charitable activities expenditure - year ended 31 December 2013	1,413	82	1,238	90	2,823	

Expenditure relating to the Assistance Dogs Programme was assisted by income of €83,000 (2013: €99,000) restricted for the Assistance Dogs Programme

NOTES TO THE FINANCIAL STATEMENTS

7 Net incoming resources	2014	2013
	€'000	€'000
Net incoming resources are stated after charging/(crediting):		
Wages and salaries	2,313	2,197
Social welfare costs	243	228
Pension costs (note 8)	79	79
	<u>2,635</u>	<u>2,504</u>
Directors' remuneration	-	-
Auditors' remuneration: for audit	5	4
for tax advisory services	-	-
for other non audit services	-	-
Depreciation	208	252
Amortisation of capital grants	(69)	(60)
Loss/(Profit) on disposal of tangible assets	<u>(13)</u>	<u>2</u>

8 Pension costs

The pension entitlements of certain employees arise under a defined contribution pension scheme and are secured by contributions by IGDB and the employees to a separately administered pension fund. The pension charge for the year was €79,000 (2013: €79,000).

9 Taxation

IGDB is exempt from taxation due to its charitable status (Revenue Commissioner's registration number CHY 6006).

10 Tangible assets	Land and buildings €'000	Motor vehicles €'000	Furniture and fittings €'000	Office equipment €'000	Total €'000
Cost					
At 31 December 2013	7,865	451	559	653	9,528
Additions	-	85	11	100	196
Disposals	-	(55)	-	-	(55)
At 31 December 2014	<u>7,865</u>	<u>481</u>	<u>570</u>	<u>753</u>	<u>9,669</u>
Accumulated depreciation					
At 31 December 2013	1,216	395	348	528	2,487
Charge for year	159	33	44	27	263
Disposals	-	(55)	-	-	(55)
At 31 December 2014	<u>1,375</u>	<u>373</u>	<u>392</u>	<u>555</u>	<u>2,695</u>
Net book amounts					
At 31 December 2014	<u>6,490</u>	<u>108</u>	<u>178</u>	<u>198</u>	<u>6,974</u>
At 31 December 2013	<u>6,649</u>	<u>56</u>	<u>211</u>	<u>125</u>	<u>7,041</u>

The Directors consider the carrying value of tangible fixed assets as at 31 December 2014 to be appropriate.

NOTES TO THE FINANCIAL STATEMENTS

11 Financial assets – investments	2014 €'000	2013 €'000
Equities	1,249	1,204
Bonds	1,013	997
Cash	166	49
	<u>2,428</u>	<u>2,250</u>

The movement in investments for the year is analysed as follows:

At beginning of year	2,250	1,072
Investment in financial assets in year		1,000
Investment income reinvested	75	47
Sales proceeds returned to IGDB	-	-
Increase in market value of investments	103	131
At end of year	<u>2,428</u>	<u>2,250</u>

12 Stocks	2014 €'000	2013 €'000
Fundraising materials	35	43
Kennel and training equipment stocks	45	40
	<u>80</u>	<u>83</u>

13 Creditors - Amounts falling due within one year	2014 €'000	2013 €'000
Trade Creditors	104	144
Accruals	115	112
Income tax deducted under payroll taxes	35	33
Pay Related Social Insurance	27	28
Deferred income-capital grants (note 14)	65	69
	<u>346</u>	<u>386</u>

NOTES TO THE FINANCIAL STATEMENTS

14 Deferred income - capital grants

	€'000
Gross	
At 31 December 2013	3,019
Additions	
At 31 December 2014	<u>3,019</u>
Amortisation	
At 1 January 2014	900
Amortised in year	69
At 31 December 2014	<u>969</u>
Net book amounts	
At 31 December 2013	<u>2,119</u>
At 31 December 2014	<u>2,050</u>
Shown as:	
Creditors - Amounts falling due within one year (note 13)	<u>65</u>
Creditors - Amounts falling due after more than one year	<u>1,985</u>

In connection with the capital grant received from the Dormant Accounts Fund (administered by Pobal) in 2009, Irish Guide Dogs for the Blind has provided a legal charge to the Minister for Community, Equality and Gaeltacht Affairs over Irish Guide Dogs for the Blind's property for a period of 16 years expiring in 2026.

15 Funds	Unrestricted Funds €'000	Restricted Funds €'000	Total €'000
(a) Reconciliation of funds			
Fund balance as at 1 January 2014	11,675	-	11,675
Net outgoing resources	(62)	-	(62)
Unrealised gain on revaluation of investments	103	-	103
Fund balance as at 31 December 2014	<u>11,716</u>	<u>-</u>	<u>11,716</u>
(b) Analysis of net assets between funds			
Tangible fixed assets	4,989	1,985	6,974
Financial assets	2,428	-	2,428
Current assets	4,645	-	4,645
Current liabilities	(346)	-	(346)
Creditors due after more than one year	-	(1,985)	(1,985)
	<u>11,716</u>	<u>-</u>	<u>11,716</u>

NOTES TO THE FINANCIAL STATEMENTS

16 Cash flow information	2014 €'000	2013 €'000
Reconciliation of net incoming resources to net cash flow from charitable activities		
Net (outgoing) resources	(62)	828
Investment income	(103)	(133)
Decrease in stocks	2	-
(Increase) in debtors	(52)	5
(Decrease) in creditors	(40)	105
Depreciation of tangible fixed assets	208	252
Amortisation of capital grants	(69)	(60)
Profit on sale of tangible assets	13	2
Investment income reinvested	(75)	(47)
Net cash outflow from charitable activities	<u>(178)</u>	<u>952</u>
Reconciliation of net cash flow to movement in net funds		
Decrease in cash in the year	(223)	(29)
Cash at bank and in hand at beginning of year	4,720	4,749
Cash at bank and in hand at end of year	<u>4,497</u>	<u>4,720</u>

17 Commitments and contingent liabilities

As at the 31 December 2014, there are no commitments or contingent liabilities.

18 Average number of employees	2014	2013
Average number of employees	<u>65</u>	<u>62</u>
Remuneration (including BIK, excluding PRSI & pension contributions) can be categorised as follow:		
100,000 – 109,999	1	1
70,000 – 79,999	1	1
60,000 – 69,999	1	1
50,000 – 59,999	3	2
The average staff remuneration in the year was	<u>35</u>	<u>35</u>

19 Post balance sheet events

There were no significant events affecting the organisation which have taken place since the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

20 Approval of financial statements

The financial statements were approved by the Directors on 28 May 2015.