

**BREAKTHROUGH CANCER RESEARCH**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

## BREAKTHROUGH CANCER RESEARCH

### COMPANY INFORMATION

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<b>Directors</b>	Breda O'Sullivan Dr. Declan Farrell Brendan Buckley Brian Mohally (Appointed 26 February 2015)
<b>Secretary</b>	Dr. Declan Farrell
<b>Company number</b>	496464
<b>Registered office</b>	Glenlee, Western Road, Cork.
<b>Auditors</b>	Moore Stephens Nathans, Chartered Accountants & Registered Auditors, 83 South Mall, Cork.
<b>Business address</b>	Glenlee, Western Road, Cork.
<b>Bankers</b>	Allied Irish Bank Plc., College Road, Cork.
<b>Solicitors</b>	Ronan Daly Jermyn, 2 Park Place, City Gate Park, Mahon, Co. Cork.

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# **BREAKTHROUGH CANCER RESEARCH**

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## **BREAKTHROUGH CANCER RESEARCH**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

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The directors present their report and financial statements for the year ended 31 December 2014.

#### **Principal activities and review of the business**

The company, Breakthrough Cancer Research (BCR) which has charitable status (CHY19801), undertakes and manages fundraising activities and to encourage philanthropic and charitable support towards research and education in the field of cancer prevention, diagnosis and treatment. Breakthrough Cancer Research has a historic but arm's length relationship with Cork Cancer Research Centre (CCRC) in UCC and primarily funds programmes at the CCRC in line with BCR's mission to develop new treatments for poor prognosis cancers and to harness the ability of the immune system to provide durable cures for cancer.

Breakthrough Cancer Research solicits and raises funds from Philanthropic supporters, corporate supporters and through individual giving, community fundraising and events.

In 2014 significant funding was provided to fund staff, consumables & equipment cancer research targeted to new therapeutic options for poor prognosis cancers in the following programmes: Autophagy, Gene Therapy (including Immuno-gene-therapy) and development of less invasive medical devices. A specific appeal generated and provided funds for the development and trial of a new device (Thora-Ve) for treatment of Lung cancer. A separate appeal sought and secured funds for a programme using bacteria as a delivery mechanism to get target genes and therapies into tumour cells. Funding was also provided for a three year transatlantic fellowship between Cork Cancer Research Centre and Weill Cornell Medical College for Haematological research.

The charity/company also continue to fund the treatment of patients with Electrochemotherapy, a non-surgical technique for the treatment of skin based cancers offered upon referral at Mercy University Hospital. Funding is provided for a clinical trial nurse and for the purchase of micro-needles. Additionally, funds were provided for the support of the development, publication and national dissemination of a book titled "Good Nutrition for Cancer Recovery" in order to provide advice and recipes for patients experiencing cancer induced weight loss.

#### **Principal risk and uncertainty**

The main risk facing the company is the financial risk associated with the nature of its revenue source being donations which are dependent on the prevailing economic climate and as such may fluctuate. In addition, recent revelations about some charities conduct has impacted the public confidence in the sector and may negatively effect support in the coming years. Other charities are already reporting a significant decrease in their fundraising revenues in 2014.

In 2015 there will be additional investment into increasing income from Individual Giving including monthly donations to diversify the fundraising streams into the charity. This will have the additional impact of providing regular monthly income rather than large fluctuations throughout the year.

An additional staff member has been added to the team on a short term contract with a view to building upon the cycling events that were initiated in 2014. Cycling as a pastime is dramatically increasing in popularity and events of this type offer the opportunity to fundraise. Lastly we expect to add some part time finance/accounting administrative support, necessary to provide dedicated time to this function and in anticipation of the requirements that will be mandated by the charity regulatory authority.

#### **Post balance sheet events**

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial period ended 31 December 2014.

**BREAKTHROUGH CANCER RESEARCH**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**Directors**

The following directors have held office since 1 January 2014:

Breda O'Sullivan  
Dr. Declan Farrell  
Brendan Buckley  
Brian Mohally

(Appointed 26 February 2015)

**Accounting Records**

The measures taken by the directors to ensure compliance with the requirements of Section 281 to Section 285, Companies Act 2014, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account are maintained at Glenlee, Western Road, Cork.

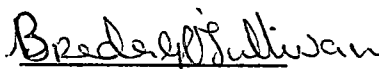
In the employment of accounting personnel, the directors will consider whether such personnel:


- are suitably qualified,
- have the knowledge and experience needed to understand the business and how its particular circumstances impact the books of account,
- and are able, without undue difficulty to ascertain at all times the financial position and results of the company.

**Auditors**

In accordance with the Companies Act 2014, section 383 (2), Moore Stephens Nathans, continue in office as auditors of the company.

By order of the board

  
Breda O'Sullivan  
Director

  
Dr. Declan Farrell  
Director

11/11/15  
Date signed

**BREAKTHROUGH CANCER RESEARCH**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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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 Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

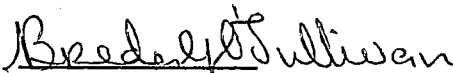
Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

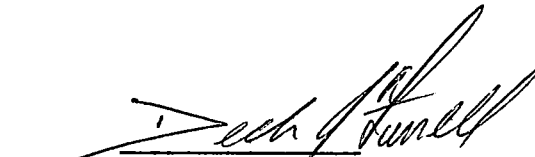
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 2014. 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.

By order of the board

  
**Breda O'Sullivan**  
Director

  
**Dr. Declan Farrell**  
Director

11/11/15  
Date signed

## **BREAKTHROUGH CANCER RESEARCH**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH**

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We have audited the financial statements of Breakthrough Cancer Research for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cashflow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 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 391 of the Companies Act 2014. 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 the directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2014 and of its surplus for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion, the information given in the directors' report is consistent with the financial statements.

**BREAKTHROUGH CANCER RESEARCH**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.

  
John Callaghan

For and on behalf of,  
**Moore Stephens Nathans,**  
**Chartered Accountants and Statutory Audit Firm,**  
83 South Mall,  
Cork.

Date signed: 11/11/15



## BREAKTHROUGH CANCER RESEARCH

### INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

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	Notes	2014 €	2013 €
Incoming resources	2	1,441,654	1,310,184
Research and other direct costs (schedule 1)		(892,647)	(1,118,761)
<b>Gross surplus</b>		549,007	191,423
Administrative expenses (schedule 2)		(452,997)	(321,755)
<b>Surplus/(deficit) on ordinary activities before taxation</b>	3	96,010	(130,332)
Tax on surplus/(deficit) on ordinary activities	4	-	-
<b>Surplus/(deficit) on ordinary activities after taxation</b>		<u>96,010</u>	<u>(130,332)</u>

#### Continuing operations

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

#### Total recognised gains and losses

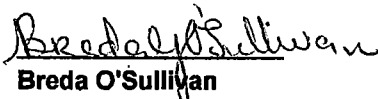
There are no recognised gains and losses other than those passing through the income and expenditure account.

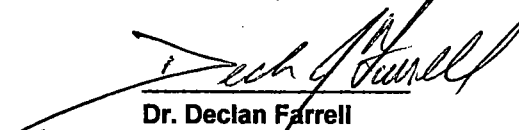
**BREAKTHROUGH CANCER RESEARCH**

**BALANCE SHEET  
AS AT 31 DECEMBER 2014**

	Notes	2014 €	€	2013 €	€
<b>Fixed assets</b>					
Tangible assets	5		6,947		-
<b>Current assets</b>					
Debtors	6	142,121		143,075	
Cash at bank and in hand		535,943		406,040	
		678,064		549,115	
<b>Creditors: amounts falling due within one year</b>	7	<b>(440,222)</b>		<b>(400,336)</b>	
<b>Net current assets</b>			<b>237,842</b>		<b>148,779</b>
<b>Total assets less current liabilities</b>			<b>244,789</b>		<b>148,779</b>
<b>Capital and reserves</b>					
Income and Expenditure Account			244,789		148,779
<b>Members' funds</b>	9		<b>244,789</b>		<b>148,779</b>

The financial statements were approved by the board on 11/11/15  
and signed on its behalf by:

  
**Breda O'Sullivan**  
Director

  
**Dr. Declan Farrell**  
Director

**BREAKTHROUGH CANCER RESEARCH****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2014**

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	€	2014 €	€	2013 €
<b>Net cash inflow/(outflow) from operating activities (note A)</b>		138,587		(24,004)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(8,684)		-	
<b>Net cash outflow for capital expenditure</b>		(8,684)		-
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		129,903		(24,004)
<b>Increase/(decrease) in cash in the year (Note C)</b>		<u>129,903</u>		<u>(24,004)</u>

**BREAKTHROUGH CANCER RESEARCH**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

<b>A Reconciliation of operating surplus/(deficit) to net cash (outflow)/inflow from operating activities</b>	<b>2014</b>	<b>2013</b>
	€	€
Operating surplus	96,010	(130,332)
Depreciation of tangible assets	1,737	-
Decrease/(increase) in debtors	954	(34,054)
Increase in creditors within one year	39,886	140,382
<b>Net cash (outflow)/inflow from operating activities</b>	<b>138,587</b>	<b>(24,004)</b>

<b>B Analysis of net funds</b>	<b>1 January 2014</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2014</b>
	€	€	€	€
Net cash:				
Cash at bank and in hand	406,040	129,903	-	535,943
<b>Net funds</b>	<b>406,040</b>	<b>129,903</b>	<b>-</b>	<b>535,943</b>

<b>C Reconciliation of net cash flow to movement in net funds</b>	<b>2014</b>	<b>2013</b>
	€	€
Increase/(decrease) in cash in the year	129,903	(24,004)
<b>Movement in net funds in the year</b>	<b>129,903</b>	<b>(24,004)</b>
Opening net funds	406,040	430,044
<b>Closing net funds</b>	<b>535,943</b>	<b>406,040</b>

**BREAKTHROUGH CANCER RESEARCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

**1.2 Compliance with accounting standards**

The financial statements have been prepared on a going concern basis and in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts 2014. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

**1.3 Income**

Income represents donations and fundraising proceeds receivable.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% S.L.
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**1.5 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

**2 Income**

The total income of the company for the year has been derived from its principal activity wholly undertaken in the Republic of Ireland.

<b>3 Operating surplus/(deficit)</b>	<b>2014</b>	<b>2013</b>
	€	€
Operating surplus/(deficit) is stated after charging:		
Depreciation of tangible assets	1,737	-
<b>Auditors' remuneration:</b>		
Audit fees	<u>5,535</u>	<u>7,380</u>

**4 Taxation**

The company has charitable status for taxation purposes and is therefore not subject to corporation tax.

**BREAKTHROUGH CANCER RESEARCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

**5 Tangible fixed assets**

	<b>Fixtures, fittings &amp; equipment €</b>
<b>Cost</b>	
At 1 January 2014	-
Additions	8,684
At 31 December 2014	<u>8,684</u>
<b>Depreciation</b>	
At 1 January 2014	-
Charge for the year	1,737
At 31 December 2014	<u>1,737</u>
<b>Net book value</b>	
At 31 December 2014	<u><u>6,947</u></u>

<b>6 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>€</b>	<b>€</b>
Trade debtors	<u>142,121</u>	<u>143,075</u>

<b>7 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>€</b>	<b>€</b>
Trade creditors	124,840	386,671
Other creditors	5,102	6,284
Accruals	<u>310,280</u>	<u>7,381</u>
	<u><u>440,222</u></u>	<u><u>400,336</u></u>

**BREAKTHROUGH CANCER RESEARCH****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2014****8 Statement of movements on income and expenditure account**

	<b>Income and Expenditure account €</b>
Balance at 1 January 2014	148,779
Surplus for the year	96,010
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Balance at 31 December 2014	244,789
	<hr/> <hr/>

**In respect of prior year:**

	<b>Income and Expenditure account €</b>
Balance at 1 January 2013	279,111
Deficit for the year	(130,332)
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Balance at 31 December 2013	148,779
	<hr/> <hr/>

**9 Reconciliation of movements in members' funds**

	<b>2014 €</b>	<b>2013 €</b>
Surplus/(Deficit) for the financial year	96,010	(130,332)
Opening members' funds	148,779	279,111
	<hr/>	<hr/>
Closing members' funds	244,789	148,779
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**10 Financial commitments**

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	<b>Land and buildings</b>	
	<b>2014</b>	<b>2013</b>
	<b>€</b>	<b>€</b>
Operating leases which expire:		
Between two and five years	25,000	-
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**BREAKTHROUGH CANCER RESEARCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**11 Employees**

There were no employees during the year. The payroll cost included in the accounts is the payroll cost which was recharged from UCC, in addition to costs charged from an agency.

**12 Legal status of the company**

In accordance with Section 1180 of the Companies Act 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee (€1 per member) and has no share capital.

**13 Restricted Funds**

The company received restricted funds during the current period. The cumulative balance of restricted funds at the end of 2014 was €210,077 (2013: €136,532).

**14 Approval of financial statements**

The directors approved the financial statements on the 11/11/15.



**BREAKTHROUGH CANCER RESEARCH**

**SCHEDULE NO 1: RESEARCH & OTHER DIRECT COSTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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	2014	2013
	€	€
<b>Research and other direct costs</b>		
Direct research cost	369,483	249,886
Research payroll cost	-	407,675
Student fees	-	34,700
Challenges & Events Costs	194,770	80,929
Campaign Costs	9,108	2,047
Community Costs	15,318	1,084
Corporate costs	-	2,182
Major Gift Costs	310	4,961
Direct Marketing Costs	303,658	313,088
Fundraising Costs	-	22,209
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	892,647	1,118,761
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**BREAKTHROUGH CANCER RESEARCH****SCHEDULE NO 2: ADMINISTRATION EXPENSES  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 €	2013 €
<b>Administration expenses</b>		
Payroll cost recharged	270,792	174,840
Intern Stipend	5,534	17,100
Training	1,150	-
Relocation expenses	10,433	-
Rent & rates	21,392	15,341
Insurance	6,343	5,489
Merchandise for resale	-	2,590
Light and heat	1,975	5,089
Printing, postage and stationery	24,842	17,645
Advertising, Promotion & PR	36,535	33,277
Computer running costs	6,595	4,843
Telephone	15,075	9,533
Motor & travel	16,151	5,793
Catering and room hire	1,384	1,180
Legal and professional fees	5,664	3,537
Consultancy fees	5,789	6,858
Subscriptions	3,009	1,775
Audit fees	5,535	7,380
Bank charges	6,781	3,232
Sundry expenses	6,281	6,253
Depreciation	1,737	-
	<u>452,997</u>	<u>321,755</u>