

**Charity Registration No. 20077945**

**Company Registration No. 496464 (Republic of Ireland)**

**BREAKTHROUGH CANCER RESEARCH**  
**TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

## BREAKTHROUGH CANCER RESEARCH

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Breda O'Sullivan Brendan Buckley Bryan Mohally Derek Power Sean Ryan Doreen O'Mahony Enda Lynch
<b>Secretary</b>	Sean Ryan
<b>Charity number</b>	20077945
<b>Company number</b>	496464
<b>Principal address</b>	Glenlee, Western Road, Cork.
<b>Registered office</b>	Glenlee, Western Road, Cork.
<b>Auditor</b>	Moore Chartered Accountants & Statutory Audit Firm, 83 South Mall, Cork.
<b>Bankers</b>	Allied Irish Bank College Branch, Cork.
<b>Solicitors</b>	Ronan Daly Jermyn, 2 Park Place, City Gate Park, Mahon Point, Co. Cork.

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# BREAKTHROUGH CANCER RESEARCH

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# BREAKTHROUGH CANCER RESEARCH

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

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The trustees present their report and financial statements for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Companies Act 2014 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

#### **Objectives and activities**

The main object of Breakthrough Cancer Research (Breakthrough), a not-for-profit company, which has charitable status (Registered Charity Number: 20077945, Revenue Number: CHY19801), is the raising and application of money and other resources for the purpose of education and research and development in the field of cancer prevention, diagnosis and treatment.

The activities are funded by receipt of monies from philanthropic supporters, corporate supporters and through individual giving, community fundraising and events.

Breakthrough Cancer Research focuses on:

- funding world-class cancer research into poor prognosis cancer, which are poorly served by current treatment options;
- facilitating collaboration between scientists and clinicians across Ireland and Internationally; and
- translating lab discoveries into new effective treatments for cancer patients.

The company / charity supports research at a number of Irish Host Institutions (e.g. Universities) but also has a historic but arm's length relationship with the translational research centre formerly known as Cork Cancer Research Centre in UCC and significantly funds their relevant programmes.

#### **Achievements and performance**

Significant progress has been made in 2019 against our research goals and priorities to fund research which will positively impact patient treatment and care. Breakthrough continues to provide support to the research community, new treatments for patients and evidence based information and tools to the public and cancer patients. We continue to strengthen existing relationships while expanding our reach and impact both nationally and internationally.

Some highlights of our activities in 2019 include:

Cancer research: In 2019 funding was provided to fund staff / researchers, consumables, infrastructure and equipment for cancer research to improve cancer care and outcomes and with patient benefit at the core. Nineteen project grants were awarded during the year, which aligned with Breakthrough's research priorities to:

- Increase our research investment into poor prognosis cancers and currently incurable cancers prioritising lung, oesophageal, ovarian and pancreatic cancers.
- Continue to significantly invest in research on the role of the immune system in cancer development and identify opportunities to harness the immune system to control and eradicate metastatic cancers.
- Improve integration of cancer research into cancer care in Ireland by prioritising funding for projects and infrastructure with significant clinical engagement / input.
- Continue to discover and develop new therapeutics and surgical approaches / technologies, including increased investment in biological and immuno-therapies.
- Continue to fund research, which aims to improve the effectiveness or specificity of current cancer therapies including investing in biomarkers discovery, nutrition and therapeutic delivery.
- Invest in research-led innovation at every stage of the cancer patient journey from first diagnosis through to treatment, clinical trials and palliative care to improve survival and quality of life.

## BREAKTHROUGH CANCER RESEARCH

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2019

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All supported researchers and institutions are encouraged and are successful in leveraging BCR support to secure additional funding from other National and International Funders. One specific way BCR leverages our research funding is a member of the Medical Research Charities Group (MRCG) and our participation in the MRCG-HRB Joint Funding Scheme. This innovative scheme allows us to nominate peer reviewed projects, which fulfil our research priorities and if selected, leverage 50% funding from the Health Research Board (HRB), while providing the additional 50% from the charity. In 2019 we provided the second year of funding for three multi-year projects which commenced in late 2018; a project on Oesophageal Cancer in Trinity College Dublin, a Lung Cancer project in UCC and an Oesophageal project in UCC. Breakthrough also participates in the Irish Research Council's (IRC) Enterprise scheme, another partnership programme and in 2019 we were successful in partnering to secure two grants, a Postdoctoral level grant on Uveal Melanoma and a Postgraduate level grant on Palliative care.

2019 also saw the launch of a new strategic partnership called Precision Oncology Ireland. This brand new consortium supported by Science Foundation Ireland brings together 5 Universities, 6 Cancer Research Charities and 10 International Companies. Breakthrough is part of this consortium which aims to develop new diagnostics and therapeutics for personalised cancer treatments.

In 2019 Breakthrough Cancer Research provided the first year of five years funding for The Professor Gerald O'Sullivan Chair in Cancer Research, a joint appointment between UCC and the South-South West Hospital Group and which is funded by Breakthrough and the HSE.

We also launched and awarded the first scholarship for the Musgrave Cancer Research PhD and Breakthrough PhD Scholars.

We also provided support for the second year of the Dermot Costello Cancer Immunology Fellowship which is being funded with support from the Five For The Fight campaign.

More details on these and other projects, the specific cancer types we targeted and other Breakthrough outputs can be found in our annual report.

**Cancer treatment:** The charity also continues to fund the treatment of patients with Electro-Chemotherapy, a non-surgical technique for the treatment of skin based cancers offered upon referral at Cork University Hospital and Mercy University Hospital. Funding is provided for a clinical trial nurse to support trials initiated because of research at the CCRC and for the purchase of probes and micro-needles.

**Cancer prevention:** In 2019 Breakthrough was a founding member of the Irish Cancer Prevention Network (ICPN) with the National Cancer Control Programme, Marie Keating Foundation and Irish Cancer Society. The first campaign about a healthy lifestyle for cancer prevention was launched on World Cancer Day and a Skin Cancer Prevention plan was launched, in conjunction with Healthy Ireland, in May 2019.

**Evidence-based cancer information and education:** In 2019 investment was made in activities to provide the cancer patients and the public with evidence-based strategies to lower their cancer risk, identify early signs of cancer and to improve tolerance to cancer treatments including dietary interventions. This included three recipe books, animated videos and oral presentations to schools and companies and in response to the needs / demand of the public, will roll out further in 2019.

Commencing in 2016 and expanding yearly, funds have been provided by Breakthrough to support the development and dissemination of three books providing advice and recipes for patients experiencing cancer induced weight loss. They are titled "Good Nutrition for Cancer Recovery", "Eating well with Swallowing Difficulties in Cancer" and "Nourishing Your Body during Pancreatic Cancer Treatment". All of these books are provided to the public for free and the development of a fourth recipe book for cancer survivors was supported in 2018, of which 25,000 copies were released in 2019.

**Breaking Through conference:** In September 2019, Breakthrough hosted a Translational Cancer Research Conference, with 30 International speakers, joining Irish Cancer Research leaders. The conference was also a celebration of 20 years of Translation Cancer Research in Cork and promoted research collaboration and featured opportunities for the public to engage and question researchers.

## **BREAKTHROUGH CANCER RESEARCH**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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*Public-Patient involvement:* In 2019 we actively worked to recruit a broad panel of individuals, interested in providing their experience and input into Breakthrough Cancer Research projects and activities. 81 individuals expressed their interest and 25 attended the first training in September 2019 and 14 attended the second training in December 2019 to become part of an informed PPI Panel.

#### **Financial review**

The results for the year are set out on page 10.

In terms of financial performance for 2019, Breakthrough reports a deficit of €45,608. Income and expenditure were monitored against our annual budget and financial progress was reported in detail to our Board at regular intervals throughout the year.

It is the policy of the company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure and with consideration of research funding commitments in the year. In 2020 there are €635,950 of research commitments which Breakthrough have committed to meet. It is the policy of the company to take on multi-year research commitments which will be met by cash reserves and anticipated future income which are based on conservative projections derived from prior history. The company considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### **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 which currently due to the COVID-19 pandemic is very challenging.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. The company has assessed the major risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

#### **Post reporting date events**

The trustees are of the view that there will be substantially reduced fundraising activity for 2020 as a result of the Covid-19 Global Pandemic and restrictions on the company doing fundraising events. This will have a significant detrimental impact on the income of the company for 2020 and potentially into 2021. Nevertheless the trustees are of the view that this will not impact on the ability of the company to operate as a going concern due to the level of reserves the company had at the end of 2019 and also the ability of the company to manage its outgoings on research activities.

## **BREAKTHROUGH CANCER RESEARCH**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **Structure, governance and management**

The organisation is a charitable company limited by guarantee. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required, not exceeding €1.

The charity was established under a Memorandum of Association which established the objects and powers of the charitable company is governed under its Constitution and managed by a board who meet several times a year. A Scientific Advisory Committee and Patient Panel provide objective options and insight into the charities research priorities and direction.

Breakthrough Cancer Research demonstrates openness, transparency and integrity to our donors, supporters, volunteers and funding partners by operating rigorously to the triple lock standards set out by the Charity Institute of Ireland - ethical fundraising, transparent annual financial reporting and governance. Breakthrough has formally adopted, is signed up to and is fully committed to achieving the guidelines for charitable organisation fundraising from the public. Breakthrough Cancer Research's annual accounts are independently audited every year and we prepare our accounts in accordance with Irish accounting standards and with reference to the Statement of Recommended Practice (SORP) for charities. The board of Breakthrough is fully compliant with the Governance Code for the Community and Voluntary Sector and are currently migrating towards the Charities Governance Code set out by the Charities Regulator in 2018.

The trustees' who served during the year were:

Breda O'Sullivan

Brendan Buckley

Bryan Mohally

Derek Power

Sean Ryan

Doreen O'Mahony

Enda Lynch

All of the above are members of the company and guarantee to contribute €1 in the event of winding up.

#### **Administrative Details**

Charity Number : 20077945

Company Number : 496464

#### **Auditor**

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

#### **Disclosure of information to auditor**

Each of the trustees' in office at the date of approval of this annual report confirms that:

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

**BREAKTHROUGH CANCER RESEARCH  
TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The trustees' report was approved by the Board of Trustees.

**Bryan Mohally  
Director**

**Sean Ryan  
Director**

**Dated: 17 July 2020**



## **BREAKTHROUGH CANCER RESEARCH**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The trustees, who are also the directors of Breakthrough Cancer Research for the purpose of company law, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Accounting Standards (Ireland Generally Accepted Accounting Practice).

Company Law requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the company for that year.

In preparing these financial statements, the company:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 will continue in operation.

The trustees' are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2014. They 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.

**Bryan Mohally**  
**Director**

**Sean Ryan**  
**Director**

**Dated: 17 July 2020**

## BREAKTHROUGH CANCER RESEARCH

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH

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#### Opinion

We have audited the financial statements of Breakthrough Cancer Research (the 'company') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the financial statements:

- give a true and fair view of the charitable company's affairs as at 31 December 2019 and of its deficit for the year then ended;
- have been properly prepared in accordance with FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **BREAKTHROUGH CANCER RESEARCH**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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

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#### **Opinions on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that in our opinion:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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, and the financial statements are in agreement with the accounting records.

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

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the trustees' report.

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.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also directors of the company for the purpose of company law, are fully responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operation, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.

**BREAKTHROUGH CANCER RESEARCH**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH**

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**The purpose of our audit work and to whom we owe our responsibilities**

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 our 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.

**John Callaghan**  
**for and on behalf of Moore**  
**Chartered Accountants and**  
**Statutory Audit Firm,**  
**83 South Mall,**  
**Cork.**

**Date signed: 27 July 2020**

**BREAKTHROUGH CANCER RESEARCH**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Unrestricted funds €	Restricted funds €	Total 2019 €	Total 2018 €
<b><u>Income from:</u></b>					
Legacies	3	54,308	-	54,308	7,702
Charitable activities	4	1,238,238	268,192	1,506,430	1,308,844
Other income	5	4,313	-	4,313	-
<b>Total income</b>		<b>1,296,859</b>	<b>268,192</b>	<b>1,565,051</b>	<b>1,316,546</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	277,388	-	277,388	223,161
Charitable activities	7	182,549	-	182,549	174,843
Research costs	9	657,731	492,991	1,150,722	779,923
<b>Total resources expended</b>		<b>1,117,668</b>	<b>492,991</b>	<b>1,610,659</b>	<b>1,177,927</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>179,191</b>	<b>(224,799)</b>	<b>(45,608)</b>	<b>138,619</b>
Fund balances at 1 January		442,900	330,827	773,727	635,108
<b>Fund balances at 31 December</b>		<b>622,091</b>	<b>106,028</b>	<b>728,119</b>	<b>773,727</b>

## BREAKTHROUGH CANCER RESEARCH

### BALANCE SHEET

AS AT 31 DECEMBER 2019

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	Notes	2019 €	€	2018 €	€
<b>Fixed assets</b>					
Tangible assets	12		3,367		1,781
<b>Current assets</b>					
Debtors	14	199,158		99,111	
Cash at bank and in hand		794,436		849,394	
		<u>993,594</u>		<u>948,505</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(268,842)</u>		<u>(176,559)</u>	
Net current assets			<u>724,752</u>		<u>771,946</u>
<b>Total assets less current liabilities</b>			<u><u>728,119</u></u>		<u><u>773,727</u></u>
<b>Income funds</b>					
Restricted funds	16	106,028		330,827	
Unrestricted funds		622,091		442,900	
			<u><u>728,119</u></u>		<u><u>773,727</u></u>

The financial statements were approved by the board of trustees and authorised for issue on 17 July 2020 and signed on its behalf by:

**Bryan Mohally**  
Trustee

**Sean Ryan**  
Trustee

**BREAKTHROUGH CANCER RESEARCH****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2019**

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		<b>2019</b>		<b>2018</b>	
	<b>Notes</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	<b>21</b>		(52,301)		416,384
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,657)		(1,886)	
<b>Net cash used in investing activities</b>			(2,657)		(1,886)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(54,958)		414,498
Cash and cash equivalents at beginning of year			849,394		434,896
<b>Cash and cash equivalents at end of year</b>			<u>794,436</u>		<u>849,394</u>

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**BREAKTHROUGH CANCER RESEARCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1 Accounting policies**

**Charity information**

Breakthrough Cancer Research is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to €1 per member of the charity.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102 and the requirements of the Companies Act 2014. The company is a Public Benefit Entity as defined by FRS102.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Incoming resources**

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the company's work or for specific artistic projects being undertaken by the company.

**1.5 Resources expended**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.



## BREAKTHROUGH CANCER RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% S.L
Computers	33.33% S.L

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## BREAKTHROUGH CANCER RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

(Continued)

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Critical judgements**

The trustees are of the view that there are no judgements (apart from those involving estimates) in applying their accounting policies that have had a significant effect on amounts recognised in the financial statements.

##### **Key sources of estimation uncertainty**

The trustees are of the view that there are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

**BREAKTHROUGH CANCER RESEARCH**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**3 Legacies**

	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>
Legacies receivable	54,308	7,702
	<u>54,308</u>	<u>7,702</u>

**BREAKTHROUGH CANCER RESEARCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

4 Charitable activities	Corporate Funds €	Challenges & Events €	Community €	Individual Giving €	Campaigns €	Major Gifts €	Total 2019 €	Total 2018 €
Income from charitable activities	496,165	351,064	213,577	305,117	38,024	102,483	1,506,430	1,308,844
Analysis by fund								
Unrestricted funds	380,382	319,318	213,577	184,454	38,024	102,483	1,238,238	
Restricted funds	115,783	31,746	-	120,663	-	-	268,192	
	496,165	351,064	213,577	305,117	38,024	102,483	1,506,430	
<b>For the year ended 31 December 2018</b>								
Unrestricted funds	247,107	170,707	245,137	191,094	13,947	113,847		981,839
Restricted funds	83,016	34,135	-	154,049	-	55,805		327,005
	330,123	204,842	245,137	345,143	13,947	169,652		1,308,844

**BREAKTHROUGH CANCER RESEARCH****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2019****5 Other income**

	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>
VAT compensation scheme	4,313	-

**6 Raising funds**

	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>
<u>Fundraising and publicity</u>		
Challenges and event costs	68,962	43,770
Campaign costs	6,007	6,926
Corporate costs	6,682	2,554
Direct marketing	60,384	55,937
Other fundraising costs	699	1,717
Staff costs	134,654	112,257
Fundraising and publicity	277,388	223,161

**7 Charitable activities**

	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>
Depreciation and impairment	1,071	1,842
Print and Stationery	9,389	20,661
Advertising	22,818	19,171
Sundry Expenses	3,992	1,833
	37,270	43,507
Share of support costs (see note 8)	120,751	110,441
Share of governance costs (see note 8)	24,528	20,895
	182,549	174,843

## BREAKTHROUGH CANCER RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

#### 8 Support and governance costs

	Support costs	Governance costs	2019	2018	Basis of allocation
	€	€	€	€	
Staff costs	39,722	13,536	53,258	56,950	Time incurred
Rent	23,750	-	23,750	22,000	
Power, Light and Heat	4,039	-	4,039	5,453	
Insurance	2,526	-	2,526	5,550	
Computer Costs	12,114	-	12,114	15,324	
Motor & Travel Costs	1,705	-	1,705	1,358	
Professional Subscription	8,005	-	8,005	6,646	
Bank Charges	2,561	-	2,561	2,333	
Print and Stationery	3,606	-	3,606	3,673	
Consultancy (includes brand / marketing strategy)	17,067	-	17,067	-	
Telephone Costs	5,656	-	5,656	4,678	
Audit fees	-	7,536	7,536	5,490	Governance
Legal and professional	-	3,456	3,456	1,881	Governance
	<u>120,751</u>	<u>24,528</u>	<u>145,279</u>	<u>131,336</u>	
Analysed between Charitable activities	<u>120,751</u>	<u>24,528</u>	<u>145,279</u>	<u>131,336</u>	

#### 9 Research costs

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
			€	€
General research	471,875	492,991	964,866	666,039
Education and information	152,016	-	152,016	75,564
Research wages and salaries	33,840	-	33,840	38,320
	<u>657,731</u>	<u>492,991</u>	<u>1,150,722</u>	<u>779,923</u>
<b>For the year ended 31 December 2018</b>	<u>523,309</u>	<u>256,614</u>		<u>779,923</u>

#### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the company during the year.

**BREAKTHROUGH CANCER RESEARCH****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2019**

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**11 Employees****Number of employees**

The average monthly number employees during the year was:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Employees	4	4

**Employment costs**

	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>
Wages and salaries	220,174	205,664

There were no employees whose annual remuneration was €70,000 or more.

**12 Tangible fixed assets**  
***Current financial year***

	<b>Fixtures and fittings</b>	<b>Computers</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Cost</b>			
At 1 January 2019	8,684	1,886	10,570
Additions	-	2,657	2,657
At 31 December 2019	8,684	4,543	13,227
<b>Depreciation and impairment</b>			
At 1 January 2019	8,684	105	8,789
Depreciation charged in the year	-	1,071	1,071
At 31 December 2019	8,684	1,176	9,860
<b>Carrying amount</b>			
At 31 December 2019	-	3,367	3,367
At 31 December 2018	-	1,781	1,781

**BREAKTHROUGH CANCER RESEARCH**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>12 Tangible fixed assets</b>	<b>(Continued)</b>		
<i>Prior financial year</i>	<b>Fixtures and fittings</b>	<b>Computers</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Cost</b>			
At 1 January 2018	8,684	-	8,684
Additions	-	1,886	1,886
	<hr/>	<hr/>	<hr/>
At 31 December 2018	8,684	1,886	10,570
	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>			
At 1 January 2018	6,947	-	6,947
Depreciation charged in the year	1,737	105	1,842
	<hr/>	<hr/>	<hr/>
At 31 December 2018	8,684	105	8,789
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 December 2018	-	1,781	1,781
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2017	1,737	-	1,737
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>13 Financial instruments</b>	<b>2019</b>	<b>2018</b>	
	<b>€</b>	<b>€</b>	
<b>Carrying amount of financial assets</b>			
Debt instruments measured at amortised cost	196,632	99,111	
	<hr/> <hr/>	<hr/> <hr/>	
<b>Carrying amount of financial liabilities</b>			
Measured at amortised cost	262,348	162,190	
	<hr/> <hr/>	<hr/> <hr/>	
<b>14 Debtors</b>	<b>2019</b>	<b>2018</b>	
	<b>€</b>	<b>€</b>	
<b>Amounts falling due within one year:</b>			
Trade debtors	196,632	99,111	
Prepayments and accrued income	2,526	-	
	<hr/>	<hr/>	
	199,158	99,111	
	<hr/> <hr/>	<hr/> <hr/>	



## BREAKTHROUGH CANCER RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 15 Creditors: amounts falling due within one year

	2019	2018
	€	€
Other taxation and social security	6,494	14,369
Trade creditors	20,526	34,700
Accruals and deferred income	241,822	127,490
	<u>268,842</u>	<u>176,559</u>

#### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 31 December 2019
	€	€	€	€
Clinical cancer chair	136,532	-	(131,012)	5,520
Immuno-melanoma appeal	13,405	-	(13,405)	-
Osteosarcoma appeal	53,477	39,851	(86,833)	6,495
Ovarian appeal	38,652	20,633	(35,966)	23,319
Pancreatic (T Daly)	-	11,113	-	11,113
Tumor Immunology (5FTF)	88,761	115,783	(162,819)	41,725
Tumor Microbio	-	39,231	(21,375)	17,856
Electrochemotherapy	-	41,581	(41,581)	-
	<u>330,827</u>	<u>268,192</u>	<u>(492,991)</u>	<u>106,028</u>

#### 17 Analysis of net assets between funds

	General Funds	Restricted Funds	Total
	€	€	€
Fund balances at 31 December 2019 are represented by:			
Tangible assets	3,367	-	3,367
Current assets/(liabilities)	618,724	106,028	724,752
	<u>622,091</u>	<u>106,028</u>	<u>728,119</u>

#### 18 Committed research funds

At 31 December 2019 the company had committed to certain research activities for 2020 in the amount of €635,950.

## BREAKTHROUGH CANCER RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 19 Events after the reporting date

The trustees are of the view that there will be substantially reduced fundraising activity for 2020 as a result of the Covid-19 Global Pandemic and restrictions on the company doing fundraising events. This will have a significant detrimental impact on the income of the company for 2020 and potentially into 2021. Nevertheless the trustees are of the view that this will not impact on the ability of the company to operate as a going concern due to the level of reserves the company had at the end of 2019 and also the ability of the company to manage its outgoings on research activities.

#### 20 Related party transactions

There were no disclosable related party transactions during the year (2018- none).

<b>21 Cash generated from operations</b>	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>
(Deficit)/surplus for the year	(45,608)	138,619
Adjustments for:		
Depreciation and impairment of tangible fixed assets	1,071	1,842
Movements in working capital:		
(Increase)/decrease in debtors	(100,047)	291,279
Increase/(decrease) in creditors	92,283	(15,356)
	<u>          </u>	<u>          </u>
<b>Cash (absorbed by)/generated from operations</b>	<b>(52,301)</b>	<b>416,384</b>
	<u>          </u>	<u>          </u>

#### 22 Approval of financial statements

The trustees approved the financial statements for issue on the 17 July 2020.