

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 2020

BREAKTHROUGH CANCER RESEARCH

LEGAL AND ADMINISTRATIVE INFORMATION

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

BREAKTHROUGH CANCER RESEARCH

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BREAKTHROUGH CANCER RESEARCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

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 2019)".

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

Due to the global pandemic 2020 was an extremely challenging year for both fundraising and research and yet significant progress has been made against our research goals and priorities to fund research which will positively impact patient treatment and care. Despite many months of disruption 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. In 2020 significant investment was also made in developing more brand awareness, building on the strategy developed in 2019. A series of very successfully campaigns were executed including the award winning 'The Shop That Nearly Wasn't'.

Some highlights of our activities in 2020 include:

Cancer research: In 2020 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. Twenty 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 2020

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 2020 three new projects were awarded funding through this scheme, a Lung cancer project in RCSI, a Multiple Myeloma Project between UCD and the Mater Hospital and a Children's Sarcoma Project at Trinity College and Children's Health Ireland, Crumlin. Breakthrough also participates in the Irish Research Council's (IRC) Enterprise scheme, another partnership programme and in 2020 we were successful in partnering on a Postgraduate level grant on Uveal Melanoma and also 2 New Foundation Grants one on Ovarian cancer and one on Prostate cancer.

2020 also saw progression of the strategic partnership called Precision Oncology Ireland. The 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. The first 'All Hands' meeting took place in February 2020 ahead of the IACR Annual Conference.

In 2020 Breakthrough Cancer Research provided the second 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 awarded the two PhD scholarships, one Musgrave Cancer Research PhD Scholar (Oesophageal cancer) and one Breakthrough PhD Scholar (Multiple Myeloma).

We also provided support for the third and final 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. In 2020 an additional project was greenlit to fund a clinical trial combining electroporation and calcium.

Cancer prevention: : In 2020 a new two year UV (Skin Cancer) Awareness programme was launched including a specific campaign called The Man Tan, targeting men with outdoor hobbies and jobs. Additional awareness campaigns were undertaken in conjunction with the Irish Cancer Prevention Network although some were paired back due to COVID-19.

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 a fourth recipe book for cancer survivors was released in 2019. In 2020 a paid book for the General Public called The "Anti-Cancer Cookbook" was launched with royalties going to Breakthrough Cancer Research.

Public-Patient involvement: In 2020 members of the Breakthrough PPI panel participated in a number of grants reviews and also interviews with researchers to allow for the presentation of research concepts in an accessible way. In the final quarter a virtual event was hosted for the PPI panel called from Discovery to Recovery, where six researchers presented their research.

BREAKTHROUGH CANCER RESEARCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The results for the year are set out on page 9.

In terms of financial performance for 2020, Breakthrough reports a deficit of €290,755. 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. 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 the fundraising climate for 2021 will be very challenging as a result of the ongoing COVID-19 Global Pandemic, the economic impact on supporters and restrictions on the company having fundraising events. This could have a significant, detrimental impact on the income of the company for 2021 and potentially 2022. Nonetheless 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 levels of reserves the company has at the end of 2020 and also the ability of the company to manage its outgoings on research activities.

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 the Charities Governance Code set out by the regulator in 2018.

BREAKTHROUGH CANCER RESEARCH
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

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
Revenue Number: CHY18901

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.

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

Bryan Mohally
Director

Sean Ryan
Director

Dated: 16 September 2021

BREAKTHROUGH CANCER RESEARCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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: 16 September 2021

BREAKTHROUGH CANCER RESEARCH

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH

Opinion

We have audited the financial statements of Breakthrough Cancer Research (the 'company') for the year ended 31 December 2020 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 financial reporting framework that has been applied in their preparation is Irish Law and FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. In applying that framework, the Trustees have elected to have regard to the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 (revised 1 January 2019) ("the Charities SORP").

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 2020 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* as applied in accordance with provisions of the Companies Act 2014 and having regard to the Charities SORP; and
- have been properly 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

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate,

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

BREAKTHROUGH CANCER RESEARCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH

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.

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.

BREAKTHROUGH CANCER RESEARCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BREAKTHROUGH CANCER RESEARCH

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 Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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: 16 September 2021

BREAKTHROUGH CANCER RESEARCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds €	Restricted funds €	Total 2020 €	Total 2019 €
<u>Income and endowments from:</u>					
Legacies	3	36,419	-	36,419	54,308
Charitable activities	4	854,381	272,413	1,126,794	1,506,430
Other income	5	292,858	-	292,858	4,313
Total income and endowments		1,183,658	272,413	1,456,071	1,565,051
<u>Expenditure on:</u>					
Raising funds	6	293,036	-	293,036	277,388
Charitable activities	7	290,397	-	290,397	182,549
Research costs	9	913,880	249,513	1,163,393	1,150,722
Total resources expended		1,497,313	249,513	1,746,826	1,610,659
Net (expenditure)/income for the year/ Net movement in funds		(313,655)	22,900	(290,755)	(45,608)
Fund balances at 1 January		622,091	106,028	728,119	773,727
Fund balances at 31 December		308,436	128,928	437,364	728,119

BREAKTHROUGH CANCER RESEARCH**BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Notes	2020 €	€	2019 €	€
Fixed assets					
Tangible assets	12		3,860		3,367
Current assets					
Debtors	14	20,958		199,158	
Cash at bank and in hand		817,798		794,436	
		<u>838,756</u>		<u>993,594</u>	
Creditors: amounts falling due within one year	15	<u>(405,252)</u>		<u>(268,842)</u>	
Net current assets			433,504		724,752
Total assets less current liabilities			<u>437,364</u>		<u>728,119</u>
Income funds					
Restricted funds	16	128,928		106,028	
Unrestricted funds		308,436		622,091	
		<u>437,364</u>		<u>728,119</u>	

The financial statements were approved by the board of trustees and authorised for issue on 16 September 2021 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 2020**

		2020		2019	
	Notes	€	€	€	€
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		25,552		(52,301)
Investing activities					
Purchase of tangible fixed assets		(2,190)		(2,657)	
Net cash used in investing activities			(2,190)		(2,657)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			23,362		(54,958)
Cash and cash equivalents at beginning of year			794,436		849,394
Cash and cash equivalents at end of year			817,798		794,436

BREAKTHROUGH CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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. The registered office of the charity is Glenlee, Western Road, Cork which is also the address where the charity conducts its business.

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.

Breakthrough Cancer Research has applied the recommendations contained in the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) which is effective from 1 January 2019 in preparing the financial statements.

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 have 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.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

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.

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

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.

1.10 Taxation

No charge to taxation arises due to the tax exempt status of Breakthrough Cancer Research. This is in accordance with the provisions of Section 207 (as applicable to companies by Section 76), Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax) of the Taxes Consolidation Act, 1997 under charity number CHY19801.

The company is eligible for the scheme of tax relief for donations to eligible charities and approved bodies in relation to Income tax refunds on donations in excess of €250 (Section 848A Taxes Consolidation Act, 1997).

As a charity, the company cannot recover VAT paid. As such, all VAT is expensed in the statement of financial activities. The company can however recover some VAT incurred through the VAT compensation scheme for charities and any monies recouped through this scheme are shown as part of 'Other income' in the financial statements.

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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.

3 Legacies

	2020	2019
	€	€
Legacies receivable	36,419	54,308
	<u> </u>	<u> </u>

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	Corporate Funds €	Challenges & Events €	Community €	Individual Giving €	Campaigns €	Major Gifts €	Total 2020 €	Total 2019 €
Income from charitable activities	352,855	91,894	161,974	321,343	61,859	136,869	1,126,794	1,506,430
Analysis by fund								
Unrestricted funds	224,530	70,102	161,974	199,047	61,859	136,869	854,381	
Restricted funds	128,325	21,792	-	122,296	-	-	272,413	
	352,855	91,894	161,974	321,343	61,859	136,869	1,126,794	
For the year ended 31 December 2019								
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

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Other income

	2020	2019
	€	€
VAT compensation scheme	5,321	4,313
Grant income	287,537	-
	<u>292,858</u>	<u>4,313</u>

Included in Grant income is an amount of €200,000 received from An Pobal in relation to a COVID-19 Stability Scheme grant, which was a restricted grant only to be used for eligible expenditure as set out in the grant letter of offer. The grant was fully spent in 2020 and used for eligible expenditure in areas of Advertising, Event costs and Support / Governance costs.

In addition, included in the Grant income for 2020 are amounts received from Revenue totalling €66,434 in relation to the TWSS / EWSS schemes.

6 Raising funds

	2020	2019
	€	€
<u>Fundraising and publicity</u>		
Challenges and event costs	44,393	68,962
Campaign costs	126,710	6,007
Corporate costs	-	6,682
Direct marketing	27,588	60,384
Other fundraising costs	37	699
Staff costs	94,308	134,654
	<u>293,036</u>	<u>277,388</u>

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	2020 €	2019 €
Depreciation and impairment	1,697	1,071
Print and Stationery	10,937	9,389
Advertising	141,879	22,818
Sundry Expenses	3,817	3,992
	<u>158,330</u>	<u>37,270</u>
Share of support costs (see note 8)	113,808	120,751
Share of governance costs (see note 8)	18,259	24,528
	<u>290,397</u>	<u>182,549</u>

8 Support and governance costs

	Support costs €	Governance costs €	2020 €	2019 €	Basis of allocation
Staff costs	33,647	11,740	45,387	53,258	Time incurred
Rent	25,000	-	25,000	23,750	
Power, Light and Heat	4,660	-	4,660	4,039	
Insurance	5,597	-	5,597	2,526	
Computer Costs	23,411	-	23,411	12,114	
Motor & Travel Costs	4,127	-	4,127	1,705	
Professional					
Subscriptions	7,538	-	7,538	8,005	
Bank Charges	2,912	-	2,912	2,561	
Print and Stationery	2,560	-	2,560	3,606	
Consultancy (includes brand / marketing strategy)	-	-	-	17,067	
Telephone Costs	4,356	-	4,356	5,656	
Audit fees	-	5,784	5,784	7,536	Actual invoices
Legal and professional	-	735	735	3,456	Actual invoices
	<u>113,808</u>	<u>18,259</u>	<u>132,067</u>	<u>145,279</u>	
<i>Analysed between</i>					
Charitable activities	<u>113,808</u>	<u>18,259</u>	<u>132,067</u>	<u>145,279</u>	

The only fees paid to auditor's in the current and previous periods were in respect of the statutory audit.

BREAKTHROUGH CANCER RESEARCH**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****9 Research costs**

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
			€	€
General research	740,159	249,513	989,672	964,866
Education and information	101,800	-	101,800	152,016
Research wages and salaries	71,921	-	71,921	33,840
	<u>913,880</u>	<u>249,513</u>	<u>1,163,393</u>	<u>1,150,722</u>
For the year ended 31 December 2019	<u>657,731</u>	<u>492,991</u>		<u>1,150,722</u>

10 Trustees

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

11 Employees**Number of employees**

The average monthly number employees during the year was:

	2020 Number	2019 Number
Employees	<u>5</u>	<u>4</u>

Employment costs

	2020 €	2019 €
Wages and salaries	192,969	198,973
Social security costs	14,063	21,201
	<u>207,032</u>	<u>220,174</u>

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

BREAKTHROUGH CANCER RESEARCH**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****12 Tangible fixed assets**
Current financial year

	Fixtures and fittings	Computers	Total
	€	€	€
Cost			
At 1 January 2020	8,684	4,543	13,227
Additions	-	2,190	2,190
	<hr/>	<hr/>	<hr/>
At 31 December 2020	8,684	6,733	15,417
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 January 2020	8,684	1,176	9,860
Depreciation charged in the year	-	1,697	1,697
	<hr/>	<hr/>	<hr/>
At 31 December 2020	8,684	2,873	11,557
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2020	-	3,860	3,860
	<hr/>	<hr/>	<hr/>
At 31 December 2019	-	3,367	3,367
	<hr/>	<hr/>	<hr/>

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12	Tangible fixed assets	(Continued)		
	<i>Prior financial year</i>	Fixtures and fittings	Computers	Total
		€	€	€
	Cost			
	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
	Depreciation and impairment			
	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
	Carrying amount			
	At 31 December 2019	-	3,367	3,367
	At 31 December 2018	-	1,781	1,781
13	Financial instruments		2020	2019
			€	€
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		18,432	196,632
	Carrying amount of financial liabilities			
	Measured at amortised cost		397,918	262,348
14	Debtors		2020	2019
	Amounts falling due within one year:		€	€
	Trade debtors		18,432	196,632
	Prepayments and accrued income		2,526	2,526
			20,958	199,158

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Creditors: amounts falling due within one year

	2020 €	2019 €
Other taxation and social security	7,334	6,494
Trade creditors	59,073	20,526
Other creditors	2,210	-
Accruals and deferred income	336,635	241,822
	<u>405,252</u>	<u>268,842</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:

	Balance at 1 January 2020 €	Movement in funds Incoming resources €	Resources expended €	Balance at 31 December 2020 €
Clinical cancer chair	5,520	-	(5,520)	-
Immuno-melanoma appeal	6,496	-	(6,496)	-
Uveal Melanoma	-	39,858	(8,000)	31,858
Ovarian appeal	23,318	16,684	-	40,002
Pancreatic (T Daly)	11,113	5,108	(16,221)	-
Tumor Immunology (5FTF)	41,725	128,325	(167,901)	2,149
Tumor Microbio	17,856	10,469	(28,325)	-
Electrochemotherapy	-	17,050	(17,050)	-
Immunotherapy	-	54,919	-	54,919
	<u>106,028</u>	<u>272,413</u>	<u>(249,513)</u>	<u>128,928</u>

17 Analysis of net assets between funds

	General Funds €	Restricted Funds €	Total €
Fund balances at 31 December 2020 are represented by:			
Tangible assets	3,860	-	3,860
Current assets/(liabilities)	304,576	128,928	433,504
	<u>308,436</u>	<u>128,928</u>	<u>437,364</u>

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Events after the reporting date

The trustees are of the view that the fundraising climate for 2021 will be very challenging as a result of the ongoing COVID-19 Global Pandemic, the economic impact on supporters and restrictions on the company having fundraising events. This could have a significant detrimental impact on the income of the company for 2021 and potentially 2022. Nonetheless 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 levels of reserves the company has at the end of 2020 and also the ability of the company to manage its outgoings on research activities.

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 €	2019 €
Aggregate compensation	58,700	67,679

No other related party transactions have occurred in the current or prior financial years.

20 Cash generated from operations	2020 €	2019 €
Deficit for the year	(290,755)	(45,608)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	1,697	1,071
Movements in working capital:		
Decrease/(increase) in debtors	178,200	(100,047)
Increase in creditors	136,410	92,283
Cash generated from/(absorbed by) operations	25,552	(52,301)

21 Analysis of changes in net funds

	1 January 2020 €	Cash flows 2020 €	31 December 2020 €
Cash at bank and in hand	794,436	23,362	817,798

22 Approval of financial statements

The trustees approved the financial statements for issue on the 16 September 2021.