

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 2021

BREAKTHROUGH CANCER RESEARCH

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------|---|---|
| Trustees | Breda O'Sullivan Brendan Buckley Doreen O'Mahony Enda Lynch Michael McMahon Jeffery Long | (Appointed 1 January 2022) (Appointed 28 March 2022) |
| Secretary | L&P Trustee Services Limited | |
| 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 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

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

Despite the ongoing global pandemic in 2021, both fundraising and research made huge strides to achieve our research goals and priorities to invest in research which will positively impact patient treatment and care. After many months of disruption in 2020, which had a knock on effect in 2021, Breakthrough provided 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 2021 significant investment was also made in building greater brand awareness, building on award-winning campaigns of 2020. A series of very successful campaigns were executed including Co. Saolfada - Ireland 33rd County - the county of survivors.

Some highlights of our activities in 2021 include:

BREAKTHROUGH CANCER RESEARCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Cancer research: In 2021 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.

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 Health Research Charities Ireland (HRCI) and our participation in bi-annual HRCI-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 2021 we opened a new round of this scheme and 19 expressions of interest were received, with 9 projects invited to submit full applications. Four projects, the maximum allowed, will be put forward to the finals review panel following an extensive peer and PPI review process and the outcome will be known in May 2022. Breakthrough also participates in the Irish Research Council's (IRC) Enterprise Scheme, another partnership programme and in 2021 we were successful in partnering on four Postgraduate level grants in UCC, Maynooth University (MU), UCD and University of Limerick (UL). Three of these projects focused on ovarian cancer and one on oesophageal cancer. We were also successful in partnering on two New Foundation Grants one on Patient's Access to Advanced Cancer Therapies (MU) and one on the Financial Toxicity Experienced by Cancer Patients (UCC).

2021 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.

In 2021 Breakthrough Cancer Research provided the third 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. In 2021 Breakthrough created a new Breakthrough Cancer Research Clinical Fellowship which will start its first clinical fellow in early 2022.

We also awarded the two PhD scholarships, one Musgrave Cancer Research PhD Scholar (Brain cancer) and one Breakthrough PhD Scholar (Oesophageal cancer).

In 2021, the second call for the Cancer Immunology Research Fellowship (CIRF), a partnership between Breakthrough and 5 for Fight. A single fellowship was awarded and the awardee is from the Trinity St. James Institute.

2021 also saw the launch of our Summer Scholarship Programme through which seven young researchers were funded. Three Breakthrough project grants were also awarded to projects in Uveal Melanoma, Ovarian cancer and Multiple Myeloma.

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

BREAKTHROUGH CANCER RESEARCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Cancer prevention: In 2021 we proceeded with the second year of two year UV (Skin Cancer) Awareness programme including a specific campaign called the The Man Tan, targeting men with outdoor hobbies and jobs. Additional awareness campaigns were undertaken in conjunction with the Irish Cancer Prevention Network and with consortia on Gynaecological cancers, although some were paired back due to COVID-19.

Commencing in 2016 funds have been provided by Breakthrough to support the development and dissemination of four books providing advice and recipes for patients experiencing cancer induced weight loss. They are titled "Good Nutrition for Cancer Recover", "Eating well with Swallowing Difficulties in Cancer", "Nourishing Your Body during Pancreatic Cancer Treatment" and "Healthy Eating for Cancer Survivors". All of these books are provided to the public for free. In 2021 funds were provided to update and expand the award winning "Good Nutrition for Cancer Recovery" cookbook and redevelop resources for patients experiencing Dysphagia to respond to new International Dysphagia Diet Standardisation Initiative (IDDSI). Both will be launched and distributed in 2022.

Public-Patient involvement: In 2021 members of the Breakthrough PPI panel participated in a number of grant reviews and also interviews with researchers to allow for the presentation of research concepts in an acceptable way. They also participated in a 2-day scientific workshop which Breakthrough developed and facilitate with POI. PPI panellists also judged the best lay presentation of our Summer Scholars.

PPI panellist also participated and attended our 2021 public events and live webinar series including "All Ireland Oesophageal Cancer Symposium", "Ovarian Cancer: PARP Inhibitors and Beyond" and "COVID-19 and Cancer". Trained PPI representatives are also active members of grant management committees for strategic projects and initiatives e.g. Women's Survivorship Clinic.

Financial review

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

In terms of financial performance for 2021, Breakthrough reports a surplus of €317,454. 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 quite challenging due to inflation and the ongoing COVID-19 pandemic.

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.

BREAKTHROUGH CANCER RESEARCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Post reporting date events

The trustees are of the view that the fundraising climate for 2022 could remain challenging as a result of the conflict in Ukraine, ongoing COVID-19 Global Pandemic, the economic impact on supporters due to high inflation and some restrictions with fundraising events. This could have some impact on the income of the company for 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 significant levels of reserves the company has at the end of 2021 and the ability of the company to manage its expenditure on research and other 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.

The trustees' who served during the year were:

| | |
|------------------|-----------------------------|
| Breda O'Sullivan | |
| Brendan Buckley | |
| Bryan Mohally | (Resigned 23 November 2021) |
| Derek Power | (Resigned 24 January 2022) |
| Sean Ryan | (Resigned 24 January 2022) |
| Doreen O'Mahony | |
| Enda Lynch | |
| Michael McMahon | (Appointed 1 January 2022) |
| Jeffery Long | (Appointed 28 March 2022) |

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

If the Board identifies a need for new members, it commences a process to recruit. New members of the Board are identified through Board Match or through the Trustees own networks. New members are appointed by unanimous agreement of the existing members and can serve two terms in line with the Scheme of Incorporation. All new Trustees take part in an induction to ensure full understanding of their role and the responsibilities and are offered training in Board Membership and Leadership. One Trustee left in Q4 2021 and one Trustee was recruited in Q4 2021. Extensive training and review was undertaken by all trustees in 2021 on the Charities Governance Code.

BREAKTHROUGH CANCER RESEARCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Volunteers make a substantial contribution to the mission, strategy and activities of the organisation in a multitude of ways. The volunteer Trustees ensure that the mission and values of Breakthrough Cancer Research are safeguarded and that the Scheme of Incorporation is kept under review to reflect Breakthrough's circumstances and aspirations. The Board ensures that Breakthrough has clear plans with strategic and long-term goals that Breakthrough's activities are monitored and its risks are managed. Volunteers on our Scientific Advisory Committee provide expertise specific and essential to the research strategy and activities and volunteers on the Public Patient Involvement Panel ensure that the patient perspective is incorporated into our research strategy and activities. Volunteers also contribute significantly to fundraising.

Administrative Details

Charity Number : 20077945

Company Number : 496464

Revenue Number: CHY18901

Auditor

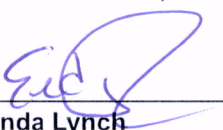
In accordance with the Companies Act 2014, section 383(2), Moore continue in office as auditors of the company.

Disclosure of information to auditor

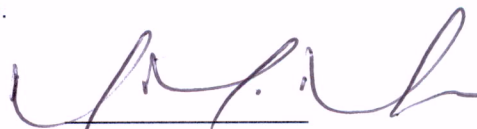
Each of the trustees' in office at the date of approval of this annual report confirms that:

- 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.



Enda Lynch
Trustee



Michael McMahon
Trustee

Dated: 19/2/22

BREAKTHROUGH CANCER RESEARCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

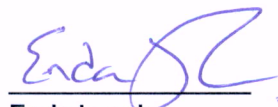
The trustees, who are also the directors of Breakthrough Cancer Research for the purpose of company law, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Accounting Standards (Ireland Generally Accepted Accounting Practice).

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.

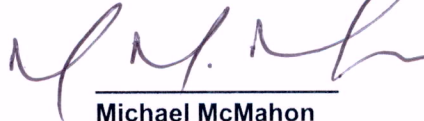
In preparing these financial statements, the company:

- 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.



Enda Lynch
Trustee



Michael McMahon
Trustee

Dated: 19/4/22

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 2021 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 2021 and of its surplus 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: _____

BREAKTHROUGH CANCER RESEARCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | Unrestricted funds € | Restricted funds € | Total 2021 € | Total 2020 € |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | |
| Legacies | 3 | 234,513 | - | 234,513 | 36,419 |
| Charitable activities | 4 | 1,219,307 | 852,957 | 2,072,264 | 1,126,794 |
| Other income | 5 | 140,549 | - | 140,549 | 292,858 |
| Total income and endowments | | 1,594,369 | 852,957 | 2,447,326 | 1,456,071 |
| <u>Expenditure on:</u> | | | | | |
| Raising funds | 6 | 297,753 | - | 297,753 | 293,036 |
| Charitable activities | 7 | 523,995 | - | 523,995 | 290,397 |
| Research costs | 9 | 823,499 | 484,625 | 1,308,124 | 1,163,393 |
| Total resources expended | | 1,645,247 | 484,625 | 2,129,872 | 1,746,826 |
| Net (expenditure)/income for the year/ Net movement in funds | | (50,878) | 368,332 | 317,454 | (290,755) |
| Fund balances at 1 January | | 308,436 | 128,928 | 437,364 | 728,119 |
| Fund balances at 31 December | | 257,558 | 497,260 | 754,818 | 437,364 |

BREAKTHROUGH CANCER RESEARCH

BALANCE SHEET

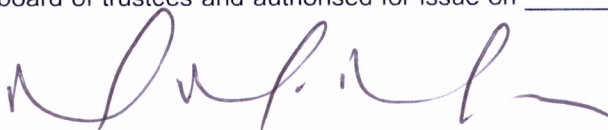
AS AT 31 DECEMBER 2021

| | Notes | 2021 € | € | 2020 € | € |
|---|-------|------------------|----------------|------------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 7,266 | | 3,860 |
| Current assets | | | | | |
| Debtors | 14 | 20,505 | | 20,958 | |
| Cash at bank and in hand | | 1,243,375 | | 817,798 | |
| | | <u>1,263,880</u> | | <u>838,756</u> | |
| Creditors: amounts falling due within one year | 15 | <u>(516,328)</u> | | <u>(405,252)</u> | |
| Net current assets | | | 747,552 | | 433,504 |
| Total assets less current liabilities | | | <u>754,818</u> | | <u>437,364</u> |
| Income funds | | | | | |
| Restricted funds | 16 | 497,260 | | 128,928 | |
| Unrestricted funds | | 257,558 | | 308,436 | |
| | | <u>754,818</u> | | <u>437,364</u> | |

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



Enda Lynch
Trustee



Michael McMahon
Trustee

BREAKTHROUGH CANCER RESEARCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 € | € | 2020 € | € |
|--|-------|-----------|-----------|-----------|---------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 20 | | 433,038 | | 25,552 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (7,461) | | (2,190) | |
| Net cash used in investing activities | | | (7,461) | | (2,190) |
| Net cash used in financing activities | | | - | | - |
| Net increase in cash and cash equivalents | | | 425,577 | | 23,362 |
| Cash and cash equivalents at beginning of year | | | 817,798 | | 794,436 |
| Cash and cash equivalents at end of year | | | 1,243,375 | | 817,798 |

BREAKTHROUGH CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

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 8.

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 2021

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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

| | 2021 | 2020 |
|---------------------|---------|--------|
| | € | € |
| Legacies receivable | 234,513 | 36,419 |

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

| | Corporate Funds | | Challenges & Events | | Community | | Individual Giving | | Campaigns | | Major Gifts | | Total 2021 | Total 2020 |
|--|-----------------|---|---------------------|---|-----------|---|-------------------|---|-----------|---|-------------|---|------------|------------|
| | € | € | € | € | € | € | € | € | € | € | € | € | € | € |
| Income from charitable activities | 566,529 | | 121,382 | | 316,140 | | 385,401 | | 204,147 | | 478,665 | | 2,072,264 | 1,126,794 |
| Analysis by fund | | | | | | | | | | | | | | |
| Unrestricted funds | 369,667 | | 19,361 | | 275,172 | | 230,972 | | 204,135 | | 120,000 | | 1,219,307 | |
| Restricted funds | 196,862 | | 102,021 | | 40,968 | | 154,429 | | 12 | | 358,665 | | 852,957 | |
| | 566,529 | | 121,382 | | 316,140 | | 385,401 | | 204,147 | | 478,665 | | 2,072,264 | |
| For the year ended 31 December 2020 | | | | | | | | | | | | | | |
| 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 |

BREAKTHROUGH CANCER RESEARCH**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****5 Other income**

| | 2021 | 2020 |
|-------------------------|----------------|----------------|
| | € | € |
| VAT compensation scheme | - | 5,321 |
| Grant income | 140,549 | 287,537 |
| | <u>140,549</u> | <u>292,858</u> |

Included in Grant income is an amount of €90,500 (2020: €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 2021 and used for eligible expenditure in areas of Advertising, Event costs and Support / Governance costs.

In addition, included in the Grant income for 2021 are amounts received from Revenue totalling €50,049 (2020: €66,434) in relation to the TWSS / EWSS schemes.

6 Raising funds

| | 2021 | 2020 |
|----------------------------------|----------------|----------------|
| | € | € |
| <u>Fundraising and publicity</u> | | |
| Challenges and event costs | 18,475 | 44,393 |
| Campaign costs | 92,039 | 126,710 |
| Corporate costs | 4,707 | - |
| Major gift costs | 1,062 | - |
| Direct marketing | 39,802 | 27,588 |
| Other fundraising costs | 2,092 | 37 |
| Staff costs | 139,576 | 94,308 |
| | <u>297,753</u> | <u>293,036</u> |

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Charitable activities

| | 2021 € | 2020 € |
|--|----------------|----------------|
| Depreciation and impairment | 4,055 | 1,697 |
| Printing, postage and stationery | 6,903 | 10,937 |
| Advertising | 306,038 | 141,879 |
| Sundry Expenses | 4,653 | 3,817 |
| Refund of donations | 40,160 | - |
| | <u>361,809</u> | <u>158,330</u> |
| Share of support costs (see note 8) | 116,592 | 113,808 |
| Share of governance costs (see note 8) | 45,594 | 18,259 |
| | <u>523,995</u> | <u>290,397</u> |

8 Support and governance costs

| | Support costs € | Governance costs € | 2021 € | 2020 € | Basis of allocation |
|---|--------------------|-----------------------|----------------|----------------|---------------------|
| Staff costs | 44,347 | 13,804 | 58,151 | 45,387 | Time incurred |
| Rent | 25,000 | - | 25,000 | 25,000 | Actual invoices |
| Power, Light and Heat | 6,297 | - | 6,297 | 4,660 | Actual invoices |
| Insurance | 5,439 | - | 5,439 | 5,597 | Actual invoices |
| Computer Costs | 8,660 | - | 8,660 | 23,411 | Actual invoices |
| Motor & Travel Costs | 3,509 | - | 3,509 | 4,127 | Actual invoices |
| Subscriptions | 4,223 | - | 4,223 | 7,538 | Actual invoices |
| Bank Charges | 5,641 | - | 5,641 | 2,912 | Actual invoices |
| Office costs | 8,696 | - | 8,696 | 2,560 | Actual invoices |
| Telephone Costs | 4,780 | - | 4,780 | 4,356 | Actual invoices |
| Audit fees | - | 7,194 | 7,194 | 5,784 | Governance |
| Legal and professional | - | 24,596 | 24,596 | 735 | Governance |
| | <u>116,592</u> | <u>45,594</u> | <u>162,186</u> | <u>132,067</u> | |
| Analysed between Charitable activities | <u>116,592</u> | <u>45,594</u> | <u>162,186</u> | <u>132,067</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 2021

9 Research costs

| | Unrestricted funds | Restricted funds | Total 2021 | Total 2020 |
|--|-----------------------|---------------------|------------------|------------------|
| | | | € | € |
| General research | 579,276 | 484,625 | 1,063,901 | 989,672 |
| Education and information | 149,408 | - | 149,408 | 101,800 |
| Research wages and salaries | 94,815 | - | 94,815 | 71,921 |
| | <u>823,499</u> | <u>484,625</u> | <u>1,308,124</u> | <u>1,163,393</u> |
| For the year ended 31 December 2020 | <u>913,880</u> | <u>249,513</u> | | <u>1,163,393</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:

| | 2021 Number | 2020 Number |
|-----------|----------------|----------------|
| Employees | <u>6</u> | <u>5</u> |

Employment costs

| | 2021 € | 2020 € |
|-----------------------|----------------|----------------|
| Wages and salaries | 273,676 | 189,361 |
| Social security costs | 12,405 | 14,063 |
| Pension costs | 5,715 | 3,608 |
| | <u>291,796</u> | <u>207,032</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 2021

12 Tangible fixed assets
Current financial year

| | Fixtures and fittings € | Computers € | Total € |
|------------------------------------|-------------------------------|----------------|------------|
| Cost | | | |
| At 1 January 2021 | 8,684 | 6,733 | 15,417 |
| Additions | - | 7,461 | 7,461 |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2021 | 8,684 | 14,194 | 22,878 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation and impairment | | | |
| At 1 January 2021 | 8,684 | 2,873 | 11,557 |
| Depreciation charged in the year | - | 4,055 | 4,055 |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2021 | 8,684 | 6,928 | 15,612 |
| | <hr/> | <hr/> | <hr/> |
| Carrying amount | | | |
| At 31 December 2021 | - | 7,266 | 7,266 |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2020 | - | 3,860 | 3,860 |
| | <hr/> | <hr/> | <hr/> |

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible fixed assets

(Continued)

| <i>Prior financial year</i> | Fixtures and fittings € | Computers € | Total € |
|---|-------------------------------|----------------|-------------|
| Cost | | | |
| At 1 January 2020 | 8,684 | 4,543 | 13,227 |
| Additions | - | 2,190 | 2,190 |
| At 31 December 2020 | 8,684 | 6,733 | 15,417 |
| Depreciation and impairment | | | |
| At 1 January 2020 | 8,684 | 1,176 | 9,860 |
| Depreciation charged in the year | - | 1,697 | 1,697 |
| At 31 December 2020 | 8,684 | 2,873 | 11,557 |
| Carrying amount | | | |
| At 31 December 2020 | - | 3,860 | 3,860 |
| At 31 December 2019 | - | 3,367 | 3,367 |
| 13 Financial instruments | | 2021 | 2020 |
| | | € | € |
| Carrying amount of financial assets | | | |
| Debt instruments measured at amortised cost | | 12,200 | 18,432 |
| Carrying amount of financial liabilities | | | |
| Measured at amortised cost | | 507,762 | 397,918 |
| 14 Debtors | | 2021 | 2020 |
| Amounts falling due within one year: | | € | € |
| Trade debtors | | 12,200 | 18,432 |
| Prepayments and accrued income | | 8,305 | 2,526 |
| | | 20,505 | 20,958 |

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Creditors: amounts falling due within one year

| | 2021 € | 2020 € |
|------------------------------------|----------------|----------------|
| Other taxation and social security | 8,566 | 7,334 |
| Trade creditors | 84,739 | 59,073 |
| Other creditors | 2,821 | 2,210 |
| Accruals and deferred income | 420,202 | 336,635 |
| | <u>516,328</u> | <u>405,252</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 2021 € | Movement in funds | | Balance at 31 December 2021 € |
|--------------------------|--------------------------------------|----------------------------|----------------------------|--|
| | | Incoming resources € | Resources expended € | |
| Lung appeal | - | 33,505 | (33,505) | - |
| Multiple Myeloma | - | 81,691 | (81,691) | - |
| Uveal Melanoma | 31,858 | 30 | (23,318) | 8,570 |
| Ovarian appeal | 40,002 | 43,752 | (83,754) | - |
| Pancreatic (T Daly) | - | 46,324 | (22,323) | 24,001 |
| Tumour Immunology (5FTF) | 2,149 | 435,461 | - | 437,610 |
| Tumour Microbio | - | 177,071 | (149,992) | 27,079 |
| Immunotherapy | 54,919 | - | (54,919) | - |
| Oesophageal | - | 35,123 | (35,123) | - |
| | <u>128,928</u> | <u>852,957</u> | <u>(484,625)</u> | <u>497,260</u> |

17 Analysis of net assets between funds

| | General Funds € | Restricted Funds € | Total € |
|---|-----------------------|--------------------------|----------------|
| Fund balances at 31 December 2021 are represented by: | | | |
| Tangible assets | 7,266 | - | 7,266 |
| Current assets/(liabilities) | 250,292 | 497,260 | 747,552 |
| | <u>257,558</u> | <u>497,260</u> | <u>754,818</u> |

BREAKTHROUGH CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Events after the reporting date

The trustees are of the view that the fundraising climate for 2022 could remain challenging as a result of the conflict in Ukraine, ongoing COVID-19 Global Pandemic, the economic impact on supporters due to high inflation and some restrictions with fundraising events. This could have some impact on the income of the company for 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 significant levels of reserves the company has at the end of 2021 and the ability of the company to manage its expenditure on research and other activities.

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2021 € | 2020 € |
|------------------------|-----------|-----------|
| Aggregate compensation | 69,021 | 58,700 |

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

20 Cash generated from operations

| | 2021 € | 2020 € |
|--|----------------|---------------|
| Surplus/(deficit) for the year | 317,454 | (290,755) |
| Adjustments for: | | |
| Depreciation and impairment of tangible fixed assets | 4,055 | 1,697 |
| Movements in working capital: | | |
| Decrease in debtors | 453 | 178,200 |
| Increase in creditors | 111,076 | 136,410 |
| Cash generated from operations | 433,038 | 25,552 |

21 Analysis of changes in net funds

| | 1 January 2021 € | Cash flows € | 31 December 2021 € |
|--------------------------|------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 817,798 | 425,577 | 1,243,375 |

22 Approval of financial statements

The trustees approved the financial statements for issue on the _____.