

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Financial Statements**  
**For the year ended**  
**31 December 2023**

**CRITCHLEYS AUDIT LLP**  
Chartered Accountants & statutory auditor  
Beaver House  
23 - 38 Hythe Bridge Street  
Oxford  
OX1 2EP

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 December 2023**

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**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Directors' Report)**  
**Year ended 31 December 2023**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2023.

**Reference and administrative details**

**Registered charity name** Breakthrough Foundation

**Charity registration number** 1162536

**Company registration number** 09335387

**Principal office and registered office** 4 Hill Street  
London  
W1J 5NE

**The trustees**

Ms S Pavlova  
Mrs D A Forsdick  
R J Bonney  
C F J Chan  
J A Hutchinson

**Company secretary** Mrs D A Forsdick

**Auditor** Critchleys Audit LLP  
Chartered Accountants & statutory auditor  
Beaver House  
23 - 38 Hythe Bridge Street  
Oxford  
OX1 2EP

**Bankers** J P Morgan Chase Bank. N.A  
390 Madison Ave, Floor 24  
New York  
NY10017  
United States of America

Goldman Sachs & Co LLC  
200 West Street  
New York  
NY 10282  
United States of America

**Solicitors** Goodwin Procter LLP  
901 New York Avenue NW  
Washington DC 20001; and  
100 Cheapside  
London EC2V 6DY

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

#### **Year ended 31 December 2023**

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

The charity is a charitable company limited by guarantee. The charity is governed by its Memorandum and Articles of Association.

The charity is managed by its Board of trustees.

The major risks, as identified by the trustees, have been reviewed and systems established to mitigate those risks. The charity is dependent on the continued ability of its major donor to continue to support the charity.

The Trustees have been selected from their skills and professionalism and come with many years of experience in different walks of life. New trustees are appointed by the existing board of trustees for a term of 3 years (subject to re-election). New trustees are inducted into their role as trustees in a series of briefings on the work of the charity, where not already familiar with the work of the charity.

The Trustees, who are also the directors for the purpose of Company Law and who were directors during the year or were appointed prior to the date of signature of the financial statements are:

S Pavlova  
D A Forsdick  
R J Bonney  
C F J Chan  
J A Hutchinson

##### **Objectives and activities**

The main objects of the charity are for the public benefit, to advance knowledge and learning in research of useful subjects of study by:

- (a) granting awards for undertaking research and disseminating the useful results to the public; and
- (b) recognising the outstanding achievements in research to act as an incentive to others.

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

##### **Grant-making policy**

The Trustees are of the view that the majority of their grant making will lie in the provision of grants to the two US organizations, Breakthrough Prize Foundation and Breakthrough Prize in Life Sciences Foundation. (see <https://breakthroughprize.org>).

The charity current policy is normally to only accept grant proposals which have been initiated by the Trustees.

##### **Strategic report**

The following sections for achievements and performance and financial review form the strategic report of the charity.

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

#### **Year ended 31 December 2023**

##### **Achievements and performance**

The following projects by the Breakthrough Prize Foundation and Breakthrough Prize in Life Sciences Foundation were made possible in 2023 with contributions provided by the Charity:

##### **Humanitarian relief**

In response to the global refugee crisis resulting from the war in Ukraine, the earthquakes in Turkey and Syria, and other causes, the Breakthrough Prize Foundation donated funds to several humanitarian programs in 2023.

##### Ukraine donations

In March 2023, the Breakthrough Prize Foundation announced a donation of \$500,000 to a consortium of universities including Tel Aviv University, the Hebrew University of Jerusalem and the Technion, to fund a special program of emergency fellowships, enabling scientists forced to flee from Ukraine to maintain their livelihoods and continue their research.

To further support Ukrainian scientists, in August the Foundation provided \$2.1 million to the National Academy of Sciences (NAS), in the form of a challenge grant to encourage additional philanthropic support and to help cover the costs of several Ukrainian-led research projects.

##### Tech for Refugees

Tech For Refugees was launched by the Breakthrough Prize Foundation in 2022. The initiative distributes funds to partner technology organizations to bring provisions, housing, transport, logistical services and other aid to refugees around the world.

In February 2023, the initiative built on its highly successful collaboration with Flexport.org, the outreach arm of the global logistics technology company, with a new \$6 million grant to bring provisions and support to refugees from Ukraine, Pakistan, and the Horn of Africa, as well as people in crisis zones around the globe, including those affected by the earthquakes in Turkey and Syria.

Also in February 2023, the initiative made a multi-year commitment to support the humanitarian efforts of the International Rescue Committee (IRC), helping to drive the expansion of the IRC's Signpost platform, which provides information and support to refugees working to rebuild their lives in new countries. The three-year commitment targeted the rollout of Signpost in 10 locations in Africa, the Middle East, Asia Pacific and the Americas. Later that year, Tech For Refugees funded another of its technology partners, Uber, to provide the IRC with ride credits to address refugees' transport needs as they seek work, education, and economic opportunities.

In May 2023, Tech For Refugees launched another collaboration with Uber to help victims of the Turkey and Syria earthquakes. The initiative provided grants to data-matching platform NeedsMap, another of its partner organizations, enabling users in the region to buy Uber ride credits that cover all fees and support costs for all rides taken. The scheme focused on a region severely affected by the earthquake, including eleven cities.

In June 2023, the initiative partnered with UNICEF USA, the United Nations Children's Fund, to bring vital educational assistance to children affected by the war in Ukraine, providing a grant to support education programming for young people in humanitarian disaster areas around the world.

# Breakthrough Foundation

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 December 2023

#### Science Prizes

##### Breakthrough Prizes

The Charity's 2023 grant-making activities distributed \$15.75 million in prize-money awarded for scientific advances. Breakthrough Prizes in Life Sciences were given for the development of CAR T cells, a transformative cancer immunotherapy treatment, which have eliminated the disease in patients with certain blood cancers, including types of leukaemia; for the creation of the first effective treatment for the underlying cause of cystic fibrosis, greatly improving quality and length of life for people with this disease; and for the discovery of the most common genetic causes of Parkinson's Disease. In Fundamental Physics, the prize went to two pioneers of statistical physics, who have spent half a century studying quantum field theories with relevance to systems ranging from magnetism and superconducting materials to the information content of black holes. In Mathematics, the prize honoured major advances in differential geometry, a field that uses the tools of calculus to study curves, surfaces and spaces.

The following prizes were awarded:

Breakthrough Prizes in Life Sciences to: Carl H. June and Michel Sadelain; Sabine Hadida, Paul Negulescu, and Fredrick Van Goor; Thomas Gasser, Ellen Sidransky and Andrew Singleton.

Breakthrough Prize in Fundamental Physics: John Cardy and Alexander Zamolodchikov.

Breakthrough Prize in Mathematics: Simon Brendle.

Six \$100,000 New Horizons Prizes were awarded for early-Career achievements in Physics and Mathematics.

Three \$50,000 Maryam Mirzakhani New Frontiers Prizes were given to outstanding women mathematicians who had recently completed their PhDs.

##### Breakthrough Junior Challenge

The Breakthrough Junior Challenge is a global science video competition for high school students, designed to spread key concepts from science and mathematics among young people and increase their enthusiasm for STEM subjects. In 2023 the Foundation organized and ran the 9<sup>th</sup> annual Challenge. Entries were submitted by 2,400 students from over 100 countries, with their videos reaching more than 50 million people on Facebook and YouTube. The winner, 17-year-old Sia Godika from Bangalore, was recognized for her video about induced pluripotent stem cells, receiving a \$250,000 university scholarship. A \$50,000 prize was given to her science teacher, and \$100,000 in funding pledged to build a state-of-the-art science lab at a school in her neighbourhood in Bangalore.

The Foundation's activities in the administration of the Challenge included processing its thousands of applications and video submissions; co-ordinating a peer-to-peer review process and running various rounds of evaluation and expert judging; running a Popular Vote to decide regional winners; and distributing the prizes. In addition, the Foundation ran publicity, media and communications campaigns, including producing videos about the Challenge and the eventual winner.

# Breakthrough Foundation

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 December 2023

#### Scientific research

##### Breakthrough Initiatives projects

Breakthrough Listen is a global astronomical program searching for "technosignatures" - astronomical evidence of extraterrestrial intelligence. In January 2023 the Listen team published a paper in the journal *Nature Astronomy* describing a new artificial intelligence-driven method for searching astronomical data. Analysis of 480 hours of data from the Green Bank Telescope (GBT) in West Virginia produced eight previously undetected "signals of interest" - signals with characteristics expected of genuine technosignatures - from approximately 3 million signals identified in scans of 820 stars.

The Listen program also initiated the move of its headquarters from the University of California, Berkeley, to Oxford University in the U.K. The move will enable the team to better co-ordinate its activities with global partners including the Square Kilometre Array (SKA), a global effort to deliver a transformational radio telescope array by 2030, for which Listen is developing innovative hardware, software and theoretical contributions to radio astrophysics to leverage the SKA for the search for life on extrasolar planets.

Breakthrough Watch is an optical astronomy search for primitive cellular life on nearby exoplanets. In February 2023, the Foundation began funding Phase 2 of its TOLIMAN space telescope program, a mission to discover potentially habitable exoplanets in the Alpha Centauri system, the closest star system to our own. The TOLIMAN mission is an ongoing collaboration with the University of Sydney and other partners to design, build and launch a space telescope that can search for exoplanets in the around nearby stars. Phase 2 includes the design, build and integration of the spacecraft with the telescope, in partnership with the University of Sydney and Bulgarian aerospace manufacturer EnduroSat.

Breakthrough Starshot is an aerospace engineering program to develop gram-scale robotic space probes that could fly interstellar missions on the timescale of a human generation. Phase 1 of the program, investigating its scientific, engineering and technological feasibility, was launched in 2016. 2023 saw the culmination of this phase, in which the Starshot team conducted a large-scale analysis of the results of the previous 7 years of proposals, investigations and experiments, including design and structure of the proposed craft, the laser-driven launch system, the challenges of interstellar communications, and the analysis of the entire Starshot concept, from launch to final signal reception, as a unified aerospace system.

Breakthrough Discuss is an annual academic conference sponsored and run by the Breakthrough Initiatives, focusing on the questions of life and civilizations in the universe and next-generation possibilities for space travel. The 2023 conference was held in June at UC Santa Cruz as well as online. It was co-hosted by the African Astronomical Society, Caltech, NASA's Ames Research Center, the SETI Institute, the University of Arizona, UC Santa Cruz, UC Berkeley, the University of Manchester and the University of Oxford Department of Physics. The event brought together leaders in astronomy, space science, engineering and other fields to debate how near-Earth locations can advance the search for extraterrestrial intelligence; new ways to look for potentially habitable exoplanets in our cosmic backyard; and how human technology could reach nearby stars.

##### Medical Research

The Charity signed a 3-year grant of \$14,994,111 with Friends of Tel Aviv Medical Center in Israel, funding the establishment of a new AI Global Center of Excellence. The project aims to integrate Artificial Intelligence (AI) into healthcare systems, and help make the benefits of medical AI technologies accessible to patients and healthcare providers worldwide. Programs that the Center of Excellence will develop include prediction of patients' pathologies and service use, new medical appliances, and tools for data management, learning and operational planning.

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

#### **Year ended 31 December 2023**

##### **Science communication**

As part of the Foundation's mission to popularize the biggest ideas in science, in 2023 it began a three-year commitment to support the Big Picture Science podcast. The podcast, hosted by the astronomer and author Seth Shostak and science journalist Molly Bentley, focuses on connections between the latest science and technology research to produce an overview of the current state-of-the-art, with a particular interest in the question of extraterrestrial life and intelligence.



# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

#### **Year ended 31 December 2023**

##### **Financial review**

The results of the charity in the year are set out in the Statement of Financial Activities on page 14.

As at 31 December 2023 free reserves (represented by unrestricted funds) were \$3,572,605, surplus.

The charity does not raise money from the public and is dependent on grants from a major donor.

Due to the funding arrangements the Trustees consider there is no requirement for the charity to hold reserves.

##### **Plans for future periods**

The charity's future plans are to continue to provide grants the two US Foundations: Breakthrough Prize Foundation and Breakthrough Prize in Life Sciences Foundation.

##### **Trustees' responsibilities statement**

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

**Year ended 31 December 2023**

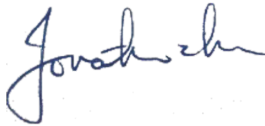
#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on 23 September 2024 and signed on behalf of the board of trustees by:



C F J Chan  
Trustee

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Breakthrough Foundation**

**Year ended 31 December 2023**

#### **Opinion**

We have audited the financial statements of Breakthrough Foundation (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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 charity's ability to continue as a going concern for a period of at least twelve months from 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 Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Breakthrough Foundation**

*(continued)*

**Year ended 31 December 2023**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Breakthrough Foundation** *(continued)*

**Year ended 31 December 2023**

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Breakthrough Foundation**

*(continued)*

**Year ended 31 December 2023**

#### **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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- \* the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- \* we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- \* we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company;
- \* we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- \* identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- \* making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- \* considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- \* performed analytical procedures to identify any unusual or unexpected relationships;
- \* tested journal entries to identify unusual transactions;
- \* assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- \* investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- \* agreeing financial statement disclosures to underlying supporting documentation;

# **Breakthrough Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Breakthrough Foundation**

*(continued)*

#### **Year ended 31 December 2023**

- \* reading the minutes of meetings of those charged with governance;
- \* enquiring of management as to actual and potential litigation and claims;
- \* reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland (Senior Statutory Auditor)

For and on behalf of  
Critchleys Audit LLP  
Chartered Accountants & statutory auditor

Beaver House  
23 - 38 Hythe Bridge Street  
Oxford  
OX1 2EP

26 September                      2024

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 December 2023**

		2023	2022
	Note	Unrestricted funds \$	Total funds \$
<b>Income and endowments</b>			
Donations and legacies	5	108,678,317	108,678,317
Investment income	6	58,973	58,973
<b>Total income</b>		<u>108,737,290</u>	<u>108,737,290</u>
<b>Expenditure</b>			
Expenditure on raising funds:			
Costs of raising donations and legacies	7	–	–
Expenditure on charitable activities	8,9	114,389,610	114,389,610
<b>Total expenditure</b>		<u>114,389,610</u>	<u>114,389,610</u>
(Recovery)/Losses on impairment (note 15)		(1,181,107)	(1,181,107)
<b>Net (expenditure)/income and net movement in funds</b>		<u>(4,471,213)</u>	<u>(4,471,213)</u>
<b>Reconciliation of funds</b>			
Total funds brought forward		8,043,818	8,043,818
<b>Total funds carried forward</b>		<u>3,572,605</u>	<u>3,572,605</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.  
In 2022, all funds were unrestricted.

The notes on pages 17 to 23 form part of these financial statements.

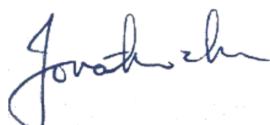


**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 December 2023**

	Note	2023 \$	2022 \$
<b>Fixed assets</b>			
Investments	15	2,786,106	2,036,362
<b>Current assets</b>			
Debtors	16	12,958,138	3,112,900
Cash at bank and in hand		4,432,178	9,894,556
		17,390,316	13,007,456
<b>Creditors: amounts falling due within one year</b>	17	8,616,188	3,500,000
<b>Net current assets/(liabilities)</b>		8,774,128	9,507,456
<b>Total assets less current liabilities</b>		11,560,234	11,543,818
<b>Creditors: amounts falling due after more than one year</b>	18	7,987,629	3,500,000
<b>Net assets</b>		3,572,605	8,043,818
<b>Funds of the charity</b>			
Unrestricted funds		3,572,605	8,043,818
<b>Total charity funds</b>	19	3,572,605	8,043,818

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the medium companies regime.

These financial statements were approved by the board of trustees and authorised for issue on 23 September 2024, and are signed on behalf of the board by:



C F C Chan  
Trustee

Company registration number: 09335387 (England and Wales)

The notes on pages 17 to 23 form part of these financial statements.

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Statement of Cash Flows**  
**Year ended 31 December 2023**

	2023 \$	2022 \$
<b>Cash flows from operating activities</b>		
Net (expenditure)/income	(4,471,213)	3,488,972
<i>Adjustments for:</i>		
(Recovery)/Losses on impairment (note 15)	(1,181,107)	3,341,053
Bank interest received	(58,973)	(25,871)
Accrued expenses/(income)	9,603,817	(12,067,000)
<i>Changes in:</i>		
Trade and other debtors	(9,845,238)	8,555,866
Cash generated from operations	(5,952,714)	3,293,020
Interest received	3,809	25,871
Net cash (used in)/from operating activities	<u>(5,948,905)</u>	<u>3,318,891</u>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	55,164	—
Proceeds from sale of other investments	431,363	4,424,245
Net cash from investing activities	<u>486,527</u>	<u>4,424,245</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,462,378)</b>	<b>7,743,136</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>9,894,556</b>	<b>2,151,420</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>4,432,178</u></b>	<b><u>9,894,556</u></b>

The notes on pages 17 to 23 form part of these financial statements.

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 December 2023**

**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Hill Street, London, W1J 5NE.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

**3. Accounting policies**

**Basis of preparation**

The financial statements are prepared in US dollars, which is the functional currency of the entity. All amounts presented in the financial statements are rounded to the nearest dollar.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 December 2023**

**3. Accounting policies** *(continued)*

**Incoming resources**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

**Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. Grants are recognised as an expense when they have been approved by the Trustees and communicated to the beneficiary unless the charity retains discretion over whether or not to make future payments.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

**Investments**

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# Breakthrough Foundation

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

#### 4. Limited by guarantee

The company is limited by guarantee. Every member of the charity undertakes to contribute such amount as may be required (not exceeding £1) to the charity's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

#### 5. Donations and legacies

	Unrestricted Funds \$	Total Funds 2023 \$	Unrestricted Funds \$	Total Funds 2022 \$
<b>Donations</b>				
Donations	108,678,317	<b>108,678,317</b>	62,539,865	62,539,865

#### 6. Investment income

	Unrestricted Funds \$	Total Funds 2023 \$	Unrestricted Funds \$	Total Funds 2022 \$
Bank interest received	58,973	<b>58,973</b>	25,871	25,871
	<u>58,973</u>	<u><b>58,973</b></u>	<u>25,871</u>	<u>25,871</u>

#### 7. Costs of raising donations and legacies

	Unrestricted Funds \$	Total Funds 2023 \$	Unrestricted Funds \$	Total Funds 2022 \$
Costs of raising donations and legacies - Investment management costs	—	<b>—</b>	40,614	40,614
	<u>—</u>	<u><b>—</b></u>	<u>40,614</u>	<u>40,614</u>

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 December 2023**

**8. Expenditure on charitable activities by fund type**

	Unrestricted Funds	<b>Total Funds 2023</b>	Unrestricted Funds	<b>Total Funds 2022</b>
	\$	\$	\$	\$
Donations	114,321,111	<b>114,321,111</b>	55,591,000	55,591,000
Bank charges	246	<b>246</b>	3,934	3,934
Support costs	68,253	<b>68,253</b>	100,163	100,163
	<u>114,389,610</u>	<u><b>114,389,610</b></u>	<u>55,695,097</u>	<u>55,695,097</u>

**9. Expenditure on charitable activities by activity type**

	Activities undertaken directly	Grant funding of activities	Support costs	<b>Total funds 2023</b>	<b>Total fund 2022</b>
	\$	\$	\$	\$	\$
Donations	–	114,321,111	–	<b>114,321,111</b>	55,591,000
Bank charges	246	–	–	<b>246</b>	3,934
Governance costs	–	–	68,253	<b>68,253</b>	100,163
	<u>246</u>	<u>114,321,111</u>	<u>68,253</u>	<u><b>114,389,610</b></u>	<u>55,695,097</u>

**10. Analysis of grants**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Grants to institutions</b>		
Breakthrough Prize Foundation	<b>85,777,000</b>	42,186,000
Breakthrough Prize in Life Sciences Foundation	–	555,000
The San Francisco Foundation	–	5,000,000
Trustees of the University of Pennsylvania	<b>1,000,000</b>	1,000,000
Conference of Europe Rabbis Stiftung	–	3,000,000
Friends of Tel Aviv Sourasky Medical Centre	<b>17,519,111</b>	2,250,000
Jewish Agency for Israel	<b>5,000,000</b>	–
GoFundMe.org	–	2,000,000
Previous grant commitments no longer due	<b>(1,000,000)</b>	(500,000)
Foundation CERN & Societe	<b>2,500,000</b>	–
American Friends of Magen David	<b>3,525,000</b>	–
Other	–	100,000
	<u><b>114,321,111</b></u>	<u>55,591,000</u>
Total grants	<u><b>114,321,111</b></u>	<u>55,591,000</u>

**11. Net (expenditure)/income**

Net (expenditure)/income is stated after charging/(crediting):	<b>2023</b>	<b>2022</b>
	\$	\$
Foreign exchange differences	<u><b>1,060</b></u>	<u>5,083</u>

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 December 2023**

**12. Auditors remuneration**

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Fees payable for the audit of the financial statements	<b><u>14,846</u></b>	<u>14,846</u>

**13. Staff costs**

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

**14. Trustee remuneration and expenses**

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees; As at 31 December 2023, no travel costs (2022: Nil) were incurred by trustees.

**15. Investments**

	<b>Other investments \$</b>
<b>Cost</b>	
At 1 January 2023	<b>4,368,880</b>
Additions	<b>–</b>
Disposals	<b><u>(4,190,778)</u></b>
<b>At 31 December 2023</b>	<b><u>178,102</u></b>
<b>Unrealised gain/(impairment)</b>	
At 1 January 2023	<b>(2,332,518)</b>
Disposals	<b>3,759,415</b>
Recovery of impairment losses	<b><u>1,181,107</u></b>
<b>At 31 December 2023</b>	<b><u>2,608,004</u></b>
<b>Carrying amount</b>	
<b>At 31 December 2023</b>	<b><u>2,786,106</u></b>
At 31 December 2022	<u>2,036,362</u>

All investments shown above are held at valuation.

**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 December 2023**

**15. Investments** *(continued)*

All investments shown above are held at fair value.

The investment remained as convertible investment securities as of 31 December 2021. In May 2022, following the sale of assets by the issuer of the convertible investment securities, the charity exchanged the convertible investment securities for an initial cash distribution of \$1,460,707, and 65,281 shares in the acquiring group.

In January 2023, the charity sold its remaining shares in the acquiring group for \$431,363. In March 2024, the liquidator of the issuer of the convertible investment securities notified the charity that the final distribution to the initial holders of the convertible investment securities would be effected in April 2024. After a deduction of withholding tax of \$912,801, the charity received \$1,873,305 from the final distribution.

On 18 May 2021 a donation was made of an interest in Maxwell Investment Holdings, L.P, a limited liability partnership. The interest currently has no economic value.

**16. Debtors**

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Prepayments and accrued income	<b><u>12,958,138</u></b>	<u>3,112,900</u>

There is \$5,487,628 debtors falling due after more than one year.

**17. Creditors: amounts falling due within one year**

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Accrual for grants payable	<b><u>8,616,188</u></b>	<u>3,500,000</u>

**18. Creditors: amounts falling due after more than one year**

	<b>2023</b>	2022
	<b>\$</b>	<b>\$</b>
Accrual for grants payable	<b><u>7,987,629</u></b>	<u>3,500,000</u>

**19. Analysis of charitable funds**

**Unrestricted funds**

	At 1 January 2023	Income	Expenditure	Gains and losses	At 31 December 2023
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
General funds	<u>8,043,818</u>	<u>108,737,290</u>	<u>(114,389,610)</u>	<u>1,181,107</u>	<u><b>3,572,605</b></u>

	At 1 January 2022	Income	Expenditure	Gains and losses	At 31 December 2022
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
General funds	<u>4,554,846</u>	<u>62,565,736</u>	<u>(55,735,711)</u>	<u>(3,341,053)</u>	<u>8,043,818</u>



**Breakthrough Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 December 2023**

**20. Analysis of changes in net debt**

	At 1 Jan 2023	Cash flows	At 31 Dec 2023
	\$	\$	\$
Cash at bank and in hand	9,894,556	(5,462,378)	4,432,178

**21. Related parties**

There were no related party transactions in the year.