

Registered number: 1480369
Charity number: 279652

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

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**DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Trustees

Mr S J Cox (resigned 29 March 2017)
Ms L May (resigned 27 July 2016)
Mr I Berry, Acting Chair
Ms E Budd (resigned 25 January 2017)
Mr T Anthony (appointed 16 May 2016)
Mr B Clargo (appointed 16 May 2016)
Mr R Day (appointed 16 May 2016)
Mr T Pearce (appointed 16 May 2016)
Mr R Sparrow (appointed 16 May 2016)
Mr S Walbridge (appointed 16 May 2016)
Mr K Walker (appointed 16 May 2016)
Mr C McLaren (appointed 26 October 2016)

**DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017**

Company registered number	1480369
Charity registered number	279652
Registered office	The Hyperbaric Medical Centre, Research Way Plymouth Science Park Plymouth
Company secretary	Mr R Wate
Chief executive officer	Mr G Smerdon
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	Barclays Bank Plc 20 Lemon Street Truro Cornwall BX3 2BB

**DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015 in preparing the annual report and financial statements of the Charity.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The charity is a charitable company limited by guarantee and was set up in 1980. It is governed by a memorandum and articles of association.

The objects for which the charity is established are the advancement of education and the relief of sickness by:

- (a) The conduct of scientific and medical research into
 - (i) The effect upon the human body of exposure to altered pressure and/or gas environments, and
 - (ii) Underwater diving safety, and the publication of the results of such research;
- (b) The prevention and treatment of medical conditions arising from exposure to an altered pressure and/or gas environment;
- (c) The altered pressure and/or gas environment treatment of illness, disability or injury;
- (d) The provision of training in altered pressure and/or gas environment treatment, procedures and care; and
- (e) The education of the public about the effects upon the human body of exposure to altered pressure and/or gas environments.

In these objects, "altered pressure and/or gas environment" means any environment in which the pressure differs from that at sea level, and/or the constituent gases differ in nature or proportion to those present in air.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A panel comprising existing Trustees selects new members of the Board of Trustees. Applications for Trusteeship are sought by a variety of methods depending on the skills required. Trustees either volunteer or are head hunted and, following a comprehensive introduction to the Charity, receive a documented induction programme. Trustees serve for two years before being required to be re-elected.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees delegates authority to the Senior Management Team and the Finance Sub-Committee, which operate under specific terms of reference. The meetings of committees are chaired by Trustees and attended by staff. Each committee has its decisions ratified by the Board of Trustees where appropriate.

The Board meets quarterly and delegates day-to-day operation of the organisation to the Chief Executive. DDRC has a clearly defined management structure and written policies for delegation of powers and financial arrangements in line with current Charity Commission guidelines.

RISK MANAGEMENT

The Charity holds ISO 9001-2008 accreditation which ensures that a comprehensive Risk Management process is conducted at all levels within the operational part of the Charity. There is a standing agenda item for all Trustee meetings, which requires the Chief Executive to report on any major risks which could threaten the Charity. "Major risks" are those risks which have a high likelihood of occurring and would, if they occurred, have a severe impact on operational performance, achievement of aims and objectives or could damage the reputation of the Charity, changing the way trustees, supporters or beneficiaries might deal with the Charity.

OBJECTIVES AND ACTIVITIES

POLICIES, OBJECTIVES AND PUBLIC BENEFIT

DDRC Healthcare (DDRC), founded in 1980, is the only facility of its kind in the UK run on a not-for-profit basis, with all profits used to fund research into diving medicine and hyperbaric oxygen therapy (HBO) and to promote the benefits of safer diving practices and of the wider applications of HBO in general medicine through service delivery, awareness raising, training and research.

DDRC is committed to promoting research into diving related diseases, improving diving safety through education and providing the best possible medical treatment for victims of diving accidents. DDRC believes in the efficacy of HBO as an elective, evidence based treatment for medical conditions recognised to benefit from HBO. DDRC continually strives to improve the evidence base for use of HBO and is active in design and participation in research projects and clinical trials. The Charity's stated mission is "To continue to develop as a Centre of Excellence in Europe for Baromedical Research, Education and Treatment, while promoting, providing and increasing the availability of high quality cost-effective hyperbaric oxygen therapies".

Main Objectives for the Year

Hyperbaric Oxygen Therapy (HBO)

The overall objectives for this year were –

- to work with the National Health Service (NHS) and the Care Quality Commission (CQC) to maintain patient access to hyperbaric treatment
- to provide high quality, cost effective hyperbaric oxygen therapy to the greatest possible number of patients with appropriate medical conditions
- to provide full 24 hour emergency service for diving accidents and other urgent indications for hyperbaric oxygen therapy

Education and Training

Education and training remains a strong part of the Charity's work. We aim to improve divers' understanding of the implications of altered pressure environments and their ability to look after themselves through continued training and education. We also aim to educate the medical world and the public regarding the potential and known benefits of hyperbaric oxygen therapy.

Research

The Research objectives continue to be:

- To participate in local, national and international conferences to disseminate research information, to interact with potential collaborators, and to learn the latest information pertinent to the fields of hyperbaric and diving medicine.
- To publish research results in high quality peer reviewed journals.
- To develop and participate in single centre and multicentre trials
- To carry out cutting edge research projects, predominantly in collaboration with academics and clinicians

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

at the forefront of their fields. This research will predominantly be conducting using postgraduate and postdoctoral researchers partly supported by DDRC Healthcare.

- To interact with the diving community and develop projects pertinent to the diving industry (recreational or commercial).

Trading Subsidiaries

DDRC Professional Services Limited (DDRCPS) has an ongoing strategy to seek out new markets and introduce new courses and products to widen its already comprehensive training portfolio. Investment will also be made in preserving the existing markets, with customers in the UK and around the world, encouraging them to return for updates. The Directors of DDRCPS believe that this strategy will ensure the profitability of the company for the medium term. Due to the ongoing reduction in activity in the oil industry, the emphasis has continued to be the maintenance of market share and improve efficiency. Marketing activity is being assessed and it is likely that more emphasis towards online marketing and the use of social media will be deemed an appropriate route for future business development.

DDRC Wound Care Limited (formerly Plymouth Wound Care Limited) (DDRCWC) was registered with the Care Quality Commission in October 2011. Developing funding streams for treatments that should ultimately generate activity has proved difficult, largely due to the changing landscape of NHS commissioning of wound care in Devon. The Trustees recognise that the Charity has underwritten these losses to date, but remains convinced that these balances will be repaid in the medium term. The NHS commissioning process for lower limb ulceration, a major target audience for our activities, is maturing and the company continues to collaborate with the CCG and potential primary providers to promote and include its services.

STRATEGIES FOR ACHIEVING OBJECTIVES

Regular reporting on aims and objectives is undertaken by the Chief Executive to the Trustees on a quarterly basis. A summary of achievements and performance is given below.

ACHIEVEMENTS AND PERFORMANCE

KEY FINANCIAL PERFORMANCE INDICATORS

The business uses the following financial KPIs in order to drive performance:

- Achieve surplus in Charity (HBO activities) between 2-5%
- DDRC Professional Services to generate a return on sales in excess of £15,000
- DDRC Wound Care to show a surplus
- Free reserves to be in excess of £200,000
- Debtors over 3 months old to be no higher than £10,000

As at March 2017, all of these were being achieved, save for Wound Care, where plans for expansion remain stubbornly slow.

REVIEW OF ACTIVITIES

Hyperbaric Oxygen Therapy

The Charity continued to provide a comprehensive 24 hour emergency service to divers and others requiring urgent hyperbaric therapy. It continued to provide 24 hour emergency telephone advice on behalf of the British Hyperbaric Association. Demand for elective treatments has reduced in light of the lack of NHS support for some indications and one therapeutic compression per day with up to 9 patients is becoming a more frequently achieved pattern than the two dives per day previously achieved - the actual number remains variable according to demand. The afternoon chamber session is generally available for other activities including chamber experience dives. Many patients attending DDRC for elective HBO require specialist wound care service as part of their treatment schedule, and nursing staff continue to provide specialist tissue viability services, consistently receiving positive feedback from patients.

Welsh facility - South Wales Hyperbaric Centre

The DDRC unit at Spire Cardiff Hospital continued to provide an elective hyperbaric oxygen therapy service to patients from South Wales and to treat patients undertaking national and international research trials. Whilst emergency patients also fall under our contract with WHSSC they are transferred to the multiplace chambers in Plymouth for treatment. The value of the contract with WHSSC regarding provision of HBO therapy rose in the year, reflecting the higher volume of treatments provided.

Education and Training

A sustained level of website visits and activity across a range of social media platforms enabled the Charity to engage with a wide audience. The annual Dive Accident Responder Course (DARC) was again filled to capacity, providing training in the management of a diving accident and raising awareness of diving safety. The DARC course is subsidised by the Charity as part of the drive to improve both safety and general awareness of possible diving injuries amongst the scuba diving population. DDRC Healthcare was represented at DIVE 2016 in Birmingham promoting diving safety, research, and general awareness of the benefits the charity provides. The Charity continues its active participation at a European and global level through involvement with EBASS (European Baromedical Association), attendance at EUBS (the European Underwater and Baromedical Society) Annual Scientific Meeting and the UHMS (Undersea and Hyperbaric Medical Society) Annual Scientific Meeting. The educational programme of external presentations and internal talks and tours continued to raise awareness of the charity, its facilities and its activities.

The administration of internal (staff) training has benefitted from the use of the online booking / event software being used with DDRCPS.

Research

Research at DDRC includes clinical trials, biomedical research and diving studies.

Clinical trials: The HOPON trial (Hyperbaric Oxygen for the Prevention of OsteoradioNecrosis) has ceased recruitment and the 12 month follow-up of the most recently treated patients now needs to be completed before data analysis. The DAHANCA-21 trial (DANish Head And Neck Cancer Association trial 21) studying hyperbaric oxygen for the treatment of osteoradionecrosis continues to accrue albeit slowly.

Biomedical Research: a new PhD student researching the potential effect of hyperoxia (elevated oxygen) on photodynamic therapy. A second studentship is planned with the University of Exeter Medical School to study the effects of oxygen on various cell types and will be advertised if a co-funding application to the medical school is successful.

Diving: data from a study investigating the mental fitness of divers, conducted collaboratively with Dr Rob Conway (WildMedic) and Dr Ben Whalley (Plymouth University) is being written up for publication. A new collaboration with the Wesley chamber in Australia is yielding information on diving habits in the Australian population as a potential comparator to the UK data, which will help to globalise the messages developed from research. A flying after treatment for DCI (decompression illness) has been conducted and is being developed further with the collaboration of airline pilots.

Trading Subsidiaries

DDRC Professional Services Limited (DDRCPS) continues to provide a range of services and courses for the

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

maritime, diving, and offshore communities. The investment in the online booking system for courses rolled out in November 2015 has been further developed to provide online booking for occupational medicals. Further work will lead to occupational and diving medicals being booked through this system as the second stage of development. Using this system, student numbers for the scheduled IMCA DMT courses have increased despite a globally troubled oil industry. Bespoke chamber operator courses remain popular, but activity in the Middle East is beginning to suffer with low oil prices. The year saw small increases in the recently launched MCA (maritime) courses (MCA STCW Proficiency in Medical First Aid (4 days) and MCA STCW Proficiency in Medical Care On Board Ship (5 days)). The appointment of an experienced non-executive director to the company will bring valuable experience and expertise towards further consolidation and expansion of the courses offered.

DDRC Wound Care Limited (DDRCWC) continues to trade at a small loss, mainly due to the costs of registrations and auditing. The throughput of private patients remains sporadic and below that required for viability. Changes in leg ulcer care commissioning on the horizon but developments are slow. The primary goal of the company remains to become part of the NHS commissioning process and develop an income stream to maintain tissue viability expertise within the charity.

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

FINANCIAL REVIEW

INCOME AND EXPENDITURE

During 2016/17, the consolidated business raised £2,036,000 million in income, up 1.8% on the previous year. A quieter year for commissioned training courses was offset by increases in the contract sums receivable from the English and Welsh NHS. The Charity continues to work within the NHS framework to try to establish a longer-term funding model, while developing alternate income streams to mitigate any contract variation.

Total expenses decreased to £1,793,000 (2.3%), resulting in a net excess of income over expenditure for the period of £243,000, a 48% increase.

In spite of lower volumes, DDRC Professional Services Limited yielded an increased surplus of £144,000, which will be passed to the Charity as a Gift Aid donation.

DDRC Wound Care Limited incurred a loss of £3,500 in the year.

RESERVES POLICY

The Charity's reserves policy identifies a level of reserves which would be necessary should its income generating activities be subjected to unexpected fluctuations, and also takes into account the Charity's capital expenditure plans and its policy to invest in increased research where possible.

While allowance has been made for that, investment is now planned to develop the Plymouth facility (see below).

£232,000 remains as unrestricted free reserves, to meet any short-term shocks. The Group consolidated free reserves are £244,293.

PAY POLICY FOR SENIOR STAFF

There are 3 senior members of staff, whose contracts have been negotiated individually.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

In this, and further through the structure, consideration has to be given to comparable salaries available in the Healthcare sector (particularly the NHS), and this has potential implications for recruitment and retention of staff.

PRINCIPAL FUNDING

Although the Charity has identified a significant risk in having only one significant customer – the NHS, it is mitigated by the obligation on the NHS to provide emergency treatment for divers, which continues to be a major source of funding. However, it is possible that NHS England may look to rationalise this into a smaller number of regional providers. The future of elective work for the NHS also has a less than certain future, as previously reported. The management team remains closely engaged with the commissioning body in seeking long term clarity on both these matters.

In light of the above, DDRC continues work on diversifying its funding streams. To this end, the Charity is in preliminary discussions to extend its premises in Plymouth, to develop both its own facilities, as well as pursue a joint venture with local partners.

The amended Reserves Policy aims to allow investment in the development of these new income streams, while holding sufficient contingency to mitigate any significant change in current trading levels.

MATERIAL INVESTMENTS POLICY

The Trustees' opinion is that the charities reserves should be held in cash. A variety of interest bearing accounts with phased notice periods has been utilised to maximise the return on income with minimum risk.

FUTURE DEVELOPMENTS

Research

The 'Health of Divers' research theme continues with the aim of discovery and education to improve diver awareness of the risks and consequences (including beneficial outcomes) associated with scuba diving. Research programmes relevant to altered pressure and gas environments and suitable for PhD studentships are continually being developed and funding (or co-funding) being sought. The prospect of having the University of Plymouth Brain Research and Imaging Centre on site opens opportunities for joint research programmes in a field of medicine (hyperbaric oxygen and brain injury) which is expanding in many countries

Trading Subsidiary – DDRC Professional Services Ltd

The past year has demonstrated that DDRC Professional Services Ltd can survive and flourish even when the offshore oil and gas industry is in crisis. Innovations such as online booking for courses and occupational medicals, along with the continued delivery of medicals to suit the industry, has seen volumes increase. The quality and flexibility of the courses retains interest from the superyacht industry, and along with associations developed with a leading portable hyperbaric chamber company to deliver training courses, the future for chamber and medical instruction offsite appears sustainable with potential for growth. The basic Customer Relationship Management system associated with the online booking / events management software will help to increase efficiency and develop the customer base.

Trading Subsidiary – DDRC Wound Care Limited

The trustees still support the work in DDRC Wound Care Limited, to develop a viable operational company, and support the objectives of the Charity in developing a Centre of Excellence for wound care. The profile of DDRC Wound Care has been developed and new negotiations are underway to attract NHS commissioned work through the proposed lower limb ulcer treatment pathways being developed by NEW Devon CCG. Due to frequent delays and changes in the commissioning process this course of action is proving slow but harbours significant potential rewards. The potential for developing training courses will be explored.

Diversification and facilities development

It is clear that our contract to supply hyperbaric oxygen therapy services to NHS England will remain under pressure for the near future and is unlikely to see significant growth in the coming years. In order to thrive, steps are being taken to diversify the business, developing new income streams along lines relevant to the Charity, to support its sustainability and development. One significant proposal nearing contractual agreement is the

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

building of a Brain Research and Imaging Centre in collaboration with Plymouth University. The unit will enhance and diversify the research portfolio whilst providing a means of enhancing the training facilities through a new build whilst developing an income stream over the longer term through commercial exploitation of the MRI scanner it will house. In parallel, the aim is to improve the hyperbaric facilities through the procurement and housing of a new modern hyperbaric chamber. This will enhance the patient experience and allow use of the state-of-the-art facilities for training courses, to clients from across the world.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of DDRC Healthcare 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group 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 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 charitable Group will continue in operation.

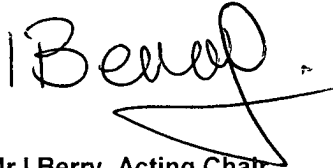
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Group and enable them to ensure that the financial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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable Group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable Group's auditors in connection with preparing their report and to establish that the charitable Group's auditors are aware of that information.

This report was approved by the Trustees, on 4/12/17 and signed on their behalf by:


**Mr I Berry, Acting Chair
Trustee**

**DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE

We have audited the financial statements of DDRC Healthcare for the year ended 31 March 2017 set out on pages 13 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of the Group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER 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 those financial statements and such reports have been prepared in accordance with applicable legal requirements.

**DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and the parent Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

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

- the parent Charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.



Pamela Tuckett FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 8/12/17

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

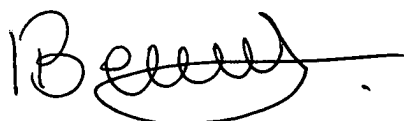
	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:				
Donations and legacies	2	19,802	19,802	23,599
Charitable activities	5	1,674,403	1,674,403	1,564,513
Other trading activities	3	328,099	328,099	397,265
Investments	4	13,897	13,897	13,247
TOTAL INCOME		2,036,201	2,036,201	1,998,624
EXPENDITURE ON:				
Raising funds	3	181,976	181,976	233,418
Charitable activities	6	1,610,904	1,610,904	1,601,269
TOTAL EXPENDITURE	8	1,792,880	1,792,880	1,834,687
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		243,321	243,321	163,937
NET MOVEMENT IN FUNDS		243,321	243,321	163,937
RECONCILIATION OF FUNDS:				
Total funds brought forward		3,013,288	3,013,288	2,849,351
TOTAL FUNDS CARRIED FORWARD		3,256,609	3,256,609	3,013,288

The notes on pages 17 to 33 form part of these financial statements.

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 1480369
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	11		1,274,159		1,346,581
CURRENT ASSETS					
Stocks	13	9,925		9,495	
Debtors	14	105,351		228,408	
Cash at bank and in hand		2,044,654		1,595,267	
		<u>2,159,930</u>		<u>1,833,170</u>	
CREDITORS: amounts falling due within one year	15	<u>(177,480)</u>		<u>(166,463)</u>	
NET CURRENT ASSETS			<u>1,982,450</u>		<u>1,666,707</u>
NET ASSETS			<u>3,256,609</u>		<u>3,013,288</u>
CHARITY FUNDS					
Unrestricted funds	17		<u>3,256,609</u>		<u>3,013,288</u>
TOTAL FUNDS			<u>3,256,609</u>		<u>3,013,288</u>

The financial statements were approved and authorised for issue by the Trustees on 4/12/17 and signed on their behalf, by:



Mr I Berry, Acting Chair

The notes on pages 17 to 33 form part of these financial statements.

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 1480369

CHARITY BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	11		1,258,785		1,327,625
Investments	12		4		4
			<u>1,258,789</u>		<u>1,327,629</u>
CURRENT ASSETS					
Stocks	13	7,102		6,301	
Debtors	14	255,839		414,606	
Cash at bank and in hand		1,836,543		1,353,836	
		<u>2,099,484</u>		<u>1,774,743</u>	
CREDITORS: amounts falling due within one year	15	(113,961)		(104,889)	
NET CURRENT ASSETS			<u>1,985,523</u>		<u>1,669,854</u>
NET ASSETS			<u>3,244,312</u>		<u>2,997,483</u>
CHARITY FUNDS					
Unrestricted funds			<u>3,244,312</u>		<u>2,997,483</u>
TOTAL FUNDS			<u>3,244,312</u>		<u>2,997,483</u>

The financial statements were approved and authorised for issue by the Trustees on **4/12/17** and signed on their behalf, by:


Mr I Berry, Acting Chair

The notes on pages 17 to 33 form part of these financial statements.

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>491,020</u>	<u>86,890</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(41,633)</u>	<u>(28,777)</u>
Net cash used in investing activities		<u>(41,633)</u>	<u>(28,777)</u>
Change in cash and cash equivalents in the year		449,387	58,113
Cash and cash equivalents brought forward		<u>1,595,267</u>	<u>1,537,154</u>
Cash and cash equivalents carried forward	20	<u><u>2,044,654</u></u>	<u><u>1,595,267</u></u>

The notes on pages 17 to 33 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

DDRC Healthcare meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

1.2 COMPANY STATUS

The Charity is a company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Incoming resources from UK Public Health Authorities have been included as income from activities in furtherance of the charity's objects, as these amount to contracts for either routine or emergency medical services.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1.6 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of DDRC Healthcare and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the Charity was £246,828 surplus (2016: £61,201 surplus).

1.7 TURNOVER

Turnover comprises revenue recognised by the Charity in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	straight line over 50 years
Plant and office equipment	-	15% reducing balance and straight line over 15 to 45 years
Motor vehicles	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance and straight line over 15 to 45 years

1.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.12 PENSIONS

The Charity operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Charity to the funds in respect of the year.

1.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.15 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.16 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates assumptions and areas of judgement:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates, assumptions or areas of judgement that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	19,802	19,802	23,599
<i>Total 2016</i>	23,599	23,599	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. TRADING ACTIVITIES

	Unrestricted funds 2017 £	Total funds 2016 £
CHARITY TRADING INCOME		
DDRC Professional Services Limited - UK	288,858	307,398
DDRC Professional Services Limited - Rest of world	38,659	86,756
DDRC Wound Care Limited	70	1,430
Merchandising income	512	1,681
	<u>328,099</u>	<u>397,265</u>
FUNDRAISING TRADING EXPENSES		
DDRC Professional Services Limited	175,648	227,418
DDRC Wound Care Limited	3,580	3,092
Merchandising expenses	2,748	2,908
	<u>181,976</u>	<u>233,418</u>
Net income from trading activities	<u><u>146,123</u></u>	<u><u>163,847</u></u>

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Rental income	7,591	7,591	7,591
Bank interest receivable	6,306	6,306	5,656
	<u>13,897</u>	<u>13,897</u>	<u>13,247</u>
<i>Total 2016</i>	<u><u>13,247</u></u>	<u><u>13,247</u></u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Medical income	1,641,836	1,641,836	1,552,407
Conference and course fees	32,567	32,567	12,106
	<u>1,674,403</u>	<u>1,674,403</u>	<u>1,564,513</u>
<i>Total 2016</i>	<u><u>1,564,513</u></u>	<u><u>1,564,513</u></u>	

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. GOVERNANCE COSTS

	Unrestricted funds 2017 £	Total funds 2016 £
Auditors' remuneration	7,750	7,601
Auditors' non audit costs	1,550	3,200
Wages & salaries	29,765	29,445
	<u>39,065</u>	<u>40,246</u>

7. CHARITABLE ACTIVITIES

	Unrestricted & Total 2017 £	Total 2016 £
Research expenses	84,651	83,835
Conference and course fees	26,805	36,023
Postage, printing and stationery	11,037	14,775
Ambulance costs and patient travel	219	467
Consumables	58,084	61,154
Patient's accommodation	19,008	26,630
Rent and rates	45,302	57,235
Insurance	33,365	30,790
Light and heat	14,918	15,162
Repairs and maintenance	40,894	44,745
Telephone and fax	7,905	8,994
Cleaning	7,915	6,144
Hire of equipment	5,922	5,915
Marketing and corporate identity	9,726	6,823
Legal and professional	41,395	40,089
Bank charges and interest	596	664
Subscriptions	15,933	18,671
Sundry expenses	18,071	9,594
Loss on disposal of fixed assets	30,279	-
Wages and salaries	920,912	906,652
National insurance	72,555	77,833
Pension cost	26,153	18,208
Depreciation	80,194	90,621
	<u>1,571,839</u>	<u>1,561,024</u>
<i>At 31 March 2016</i>	<u>1,561,024</u>	

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Fundraising trading expenses	49,509	3,581	128,886	181,976	233,418
COSTS OF GENERATING FUNDS	49,509	3,581	128,886	181,976	233,418
Charitable activities	1,019,620	80,194	472,025	1,571,839	1,561,023
Expenditure on governance	29,765	-	9,300	39,065	40,246
	1,098,894	83,775	610,211	1,792,880	1,834,687
<i>Total 2016</i>	1,090,629	94,379	649,648	1,834,656	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	83,776	94,379
Auditors' remuneration - audit	7,750	7,600
Auditors' remuneration - other services	1,550	3,200

During the year, no Trustees received any remuneration (2016: £NIL).

During the year, no Trustees received any benefits in kind (2016: £NIL).

During the year, no Trustees received any reimbursement of expenses (2016: £NIL).

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	995,415	989,430
Social security costs	76,457	82,351
Other pension costs	27,022	18,848
	<u>1,098,894</u>	<u>1,090,629</u>

The average number of persons employed by the Charity during the year was as follows:

	2017 No.	2016 No.
Staff	58	56

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Full time equivalents	26	26

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	1

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity are considered to be key management personnel. Total remuneration in respect of these individuals is £259,654 (2016: £254,307). Trustees receive no remuneration for their role and all remuneration reported relates to employees of the charity.

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. TANGIBLE FIXED ASSETS

GROUP	Long-term leasehold property £	Plant and office equipment £	Motor vehicles £	Total £
COST				
At 1 April 2016	1,448,236	1,699,552	12,842	3,160,630
Additions	-	41,633	-	41,633
Disposals	-	(396,577)	-	(396,577)
At 31 March 2017	1,448,236	1,344,608	12,842	2,805,686
DEPRECIATION				
At 1 April 2016	488,064	1,319,462	6,523	1,814,049
Charge for the year	28,965	53,863	948	83,776
On disposals	-	(366,298)	-	(366,298)
At 31 March 2017	517,029	1,007,027	7,471	1,531,527
NET BOOK VALUE				
At 31 March 2017	931,207	337,581	5,371	1,274,159
At 31 March 2016	960,172	380,090	6,319	1,346,581
CHARITY				
COST				
At 1 April 2016	1,448,236	1,667,820		3,116,056
Additions	-	41,633		41,633
Disposals	-	(396,577)		(396,577)
At 31 March 2017	1,448,236	1,312,876		2,761,112
DEPRECIATION				
At 1 April 2016	488,064	1,300,367		1,788,431
Charge for the year	28,965	51,229		80,194
On disposals	-	(366,298)		(366,298)
At 31 March 2017	517,029	985,298		1,502,327
NET BOOK VALUE				
At 31 March 2017	931,207	327,578		1,258,785
At 31 March 2016	960,172	367,453		1,327,625

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
CHARITY	
COST	
At 1 April 2016 and 31 March 2017	4

13. STOCKS

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Goods for resale	9,925	9,495	7,102	6,301

14. DEBTORS

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	50,819	182,158	27,920	121,844
Amounts owed by group undertakings	-	-	187,859	251,366
Other debtors	10,942	1,827	68	1,283
Prepayments and accrued income	43,590	44,423	39,992	40,113
	105,351	228,408	255,839	414,606

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	68,562	57,623	58,237	36,547
Other taxation and social security	36,081	35,250	24,186	25,246
Other creditors	7,952	6,994	7,253	5,299
Accruals and deferred income	64,885	66,596	24,285	37,797
	177,480	166,463	113,961	104,889

	GROUP		CHARITY	
	£	£	£	£
DEFERRED INCOME				
Deferred income at 1 April 2016/ 2015	21,363	38,164	4,200	-
Resources deferred during the year	30,044	21,363	-	4,200
Amounts released from previous years	(21,363)	(38,164)	(4,200)	-
Deferred income at 31 March 2017/ 2016	30,044	21,363	-	4,200

Deferred income is held for deposits received in the year for training courses taking place after the year end.

16. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Financial assets measured at amortised cost	61,761	183,985
Financial liabilities measured at amortised cost	147,436	162,263

Financial assets measured at amortised cost comprise of trade and other debtors.

Financial liabilities measured at amortised cost comprise of trade and other creditors.

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2017 £
DESIGNATED FUNDS					
Research and PhD funding	110,000	-	-	-	110,000
Diabetic foot ulcer trial	210,000	-	-	-	210,000
Main site development fund	1,130,904	-	-	287,253	1,418,157
Fixed assets	1,346,581	-	-	(72,422)	1,274,159
	<u>2,797,485</u>	<u>-</u>	<u>-</u>	<u>214,831</u>	<u>3,012,316</u>
GENERAL FUNDS					
DDRC Healthcare	200,000	1,708,614	(1,461,783)	(214,831)	232,000
DDRC Professional Services Ltd	30,305	327,517	(327,517)	-	30,305
DDRC Wound Care Ltd	(14,502)	70	(3,580)	-	(18,012)
	<u>215,803</u>	<u>2,036,201</u>	<u>(1,792,880)</u>	<u>(214,831)</u>	<u>244,293</u>
Total Unrestricted funds	<u>3,013,288</u>	<u>2,036,201</u>	<u>(1,792,880)</u>	<u>-</u>	<u>3,256,609</u>
Total of funds	<u>3,013,288</u>	<u>2,036,201</u>	<u>(1,792,880)</u>	<u>-</u>	<u>3,256,609</u>

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2016 £
DESIGNATED FUNDS						
Research and PhD funding	120,000	-	(10,000)	-	-	110,000
Fundraising and marketing	19,708	-	-	(19,708)	-	-
Diabetic foot ulcer trial	210,000	-	-	-	-	210,000
Main site development fund	868,921	-	-	261,983	-	1,130,904
Fixed assets	1,388,957	-	(94,379)	52,003	-	1,346,581
	<u>2,607,586</u>	<u>-</u>	<u>(104,379)</u>	<u>294,278</u>	<u>-</u>	<u>2,797,485</u>
GENERAL FUNDS						
DDRC Healthcare	200,000	1,602,670	(1,331,618)	(271,052)	-	200,000
DDRC Professional Services Ltd	30,305	394,524	(394,524)	-	-	30,305
DDRC Wound Care Ltd	(11,766)	1,430	(4,166)	-	-	(14,502)
	<u>218,539</u>	<u>1,998,624</u>	<u>(1,730,308)</u>	<u>(271,052)</u>	<u>-</u>	<u>215,803</u>
Total Unrestricted funds	<u>2,826,125</u>	<u>1,998,624</u>	<u>(1,834,687)</u>	<u>23,226</u>	<u>-</u>	<u>3,013,288</u>
Total of funds	<u>2,826,125</u>	<u>1,998,624</u>	<u>(1,834,687)</u>	<u>23,226</u>	<u>-</u>	<u>3,013,288</u>

Designated funds

Research and PhD funding

To fund ongoing and new research including PhD students.

Fundraising and marketing

To fund investment in the charity's fundraising and marketing strategy. In the year, the balance of this fund was transferred to the main site development fund.

Diabetic foot ulcer trial

The trustees have decided to engage in a UK trial to establish the efficacy of HBO in treating diabetic foot ulcers.

Main site development fund

This fund is for future development of the Plymouth facility into a world-leading provider of hyperbaric oxygen therapies.

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. STATEMENT OF FUNDS (continued)

Fixed assets

This fund represents the net book value of designated assets.

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2017 £
Designated funds	2,797,485	-	-	214,831	3,012,316
General funds	215,803	2,036,201	(1,792,880)	(214,831)	244,293
	<u>3,013,288</u>	<u>2,036,201</u>	<u>(1,792,880)</u>	<u>-</u>	<u>3,256,609</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2016 £
Designated funds	2,607,586	-	(104,379)	294,278	2,797,485
General funds	218,539	1,998,624	(1,730,308)	(271,052)	215,803
	<u>2,826,125</u>	<u>1,998,624</u>	<u>(1,834,687)</u>	<u>23,226</u>	<u>3,013,288</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £
Tangible fixed assets	1,274,159
Current assets	2,159,930
Creditors due within one year	(177,480)
	<u>3,256,609</u>

DDRC HEALTHCARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £
Tangible fixed assets	1,346,581
Current assets	1,833,170
Creditors due within one year	(166,463)
	<u>3,013,288</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	GROUP	
	2017	2016
	£	£
Net income for the year (as per Statement of Financial Activities)	243,321	163,937
Adjustment for:		
Depreciation charges	83,776	94,379
Loss on the sale of fixed assets	30,279	-
(Increase)/decrease in stocks	(430)	5,034
Decrease/(increase) in debtors	123,058	(122,966)
Increase/(decrease) in creditors	11,016	(53,494)
Net cash provided by operating activities	491,020	86,890

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	GROUP	
	2017	2016
	£	£
Cash in hand	2,044,654	1,595,267
Total	2,044,654	1,595,267

21. PENSION COMMITMENTS

The Group operates two defined contribution pensions schemes. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension costs charge represents contributions payable by the Group to the funds and amounted to £27,022 (2016: £18,848). Contributions totaling £3,625 (2016: £3,941) were payable to the funds at the balance sheet date.

**DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

22. RELATED PARTY TRANSACTIONS

The Charity has two 100% subsidiaries as included in note 24. As these subsidiaries are wholly owned by DDRC Healthcare, the Charity has taken advantage of the exemption contained in FRS 102 Section 33.1A not to disclose transactions or balances with entities which form part of a Group.

There have been no transactions with other related parties.

23. CONTROLLING PARTY

The Charity is controlled by the trustees.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

24. PRINCIPAL SUBSIDIARIES

DDRC Professional Services Limited

Subsidiary name	DDRC Professional Services Limited
Company registration number	03004311
Basis of control	100% subsidiary undertaking
Equity shareholding %	100%
Total assets as at 31 March 2017	£ 262,121
Total liabilities as at 31 March 2017	£ (231,814)
Total equity as at 31 March 2017	£ 30,307
Turnover for the year ended 31 March 2017	£ 335,777
Expenditure for the year ended 31 March 2017	£ (335,777)
Result for the year ended 31 March 2017	£ -

DDRC Wound Care Limited

Subsidiary name	DDRC Wound Care Limited
Company registration number	07560790
Basis of control	100% subsidiary undertaking
Equity shareholding %	100%
Total assets as at 31 March 2017	£ 2,847
Total liabilities as at 31 March 2017	£ (20,857)
Total equity as at 31 March 2017	£ (18,010)
Turnover for the year ended 31 March 2017	£ 70
Expenditure for the year ended 31 March 2017	£ (3,580)
Loss for the year ended 31 March 2017	£ (3,510)

DDRC Wound Care Limited has not been audited. The directors have taken advantage of exemptions under Companies Act 479A. The parent charity has signed a statement of guarantee for the subsidiary.