

Registered number: 1480369  
Charity number: 279652

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

TUESDAY



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11/12/2018  
COMPANIES HOUSE

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

**CONTENTS**

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	Page
<b>Trustees</b>	<b>1</b>
<b>Reference and administrative details of the charity and advisers</b>	<b>2</b>
<b>Trustees' report</b>	<b>3 - 9</b>
<b>Independent auditors' report</b>	<b>10 - 12</b>
<b>Consolidated statement of financial activities</b>	<b>13</b>
<b>Consolidated balance sheet</b>	<b>14</b>
<b>Charity balance sheet</b>	<b>15</b>
<b>Consolidated statement of cash flows</b>	<b>16</b>
<b>Notes to the financial statements</b>	<b>17 - 32</b>

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

**TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2018**

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<b>Trustees</b>	Mr I Berry, Acting Chair
	Mr T Anthony
	Mr B Clargo
	Mr R Day (resigned 2 May 2018)
	Mr T Pearce
	Mr R Sparrow
	Mr S Walbridge
	Mr K Walker
	Mr C McLaren

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2018**

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<b>Company registered number</b>	1480369
<b>Charity registered number</b>	279652
<b>Registered office</b>	The Hyperbaric Medical Centre, Research Way Plymouth Science Park Plymouth
<b>Company secretary</b>	Mr R Wate
<b>Chief executive officer</b>	Mr G Smerdon
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
<b>Bankers</b>	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 2018**

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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 2018. 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 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 achieved ISO 9001:2015 accreditation as a progression from the previously held ISO 9001:2008. This 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 gather and 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 at the forefront of their fields. This research will predominantly be conducting using postgraduate and

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

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- 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. In spite of reduction in activity within the oil industry DDRC has continued to improve market share and improve efficiency. Marketing activity has been assessed and more emphasis towards online marketing and the use of social media is being pursued as an appropriate route for future business development. A new website which fully integrates the online booking system previously adopted provides a professional external interface which has been welcomed by clients.

DDRC Medical Services Limited (formerly DDRC Wound Care Limited) (DDRCMS) was developed as an evolution of DDRC Wound Care Limited, this being a company with Care Quality Commission registration independent to that of the charity. DDRC Wound Care is maintained as a trading entity within the company. DDRCMS provides a more appropriate vehicle through which to conduct occupational medicals and current trade in this area will be moved into DDRCMS from DDRCPS under which the medicals are currently conducted. Developing wound care 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 0-3%
- DDRC Professional Services to generate a return on sales in excess of 15%
- DDRC Medical Services to show a surplus
- Free reserves to be in excess of £232k

As at March 2018, all of these were being achieved, save for DDRC Medical Services – re-organisation should ensure this matter is resolved.

**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 and patients numbers did increase towards March. The afternoon chamber session is generally available for other activities including chamber experience dives. Many patients attending DDRC for elective

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

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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 number of elective patients treated has fallen and renewed efforts are being planned, to engage with referring consultants and increase the patient throughput from both WHSSC and private patients.

**Education and Training**

A redeveloped website has enhanced the Charity's ability to engage with a wide audience. The annual Dive Accident Responder Course (DARC) was again popular, providing training in the management of a diving accident and raising awareness of diving safety and DDRC Healthcare. 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 2017 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 a manuscript is being prepared for publication. The DAHANCA-21 trial (Danish Head And Neck Cancer Association trial 21) studying hyperbaric oxygen for the treatment of osteoradionecrosis has also ceased recruitment and follow up data is being collected from patients.

Biomedical Research: in addition to the current PhD student with the University of Exeter Medical School researching the potential effect of hyperoxia (elevated oxygen) on photodynamic therapy, a second student has been recruited to a second project partially funded by the studying the effects of oxygen on various cell types and the implications for drug delivery.

Diving: A new PhD student was recruited in collaboration with Plymouth Marjon University to study cardiac health and fitness in recreational SCUBA divers. Data from a study investigating the mental fitness of divers, conducted collaboratively with Dr Rob Conway (WildMedic) and Dr Ben Whalley (Plymouth University) has been submitted and is under review, whilst a new study looking at diving and cancer patients is under development. The 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. The flying after treatment for DCI (decompression illness) has been completed and a manuscript prepared for publication.

**Trading Subsidiaries**

DDRC Professional Services Limited (DDRCPS) continues to provide a range of services and courses for the maritime, diving, and offshore communities. The investment in the online booking for occupational medicals has been successful and welcomed by clients. Student numbers for the scheduled IMCA DMT courses have continued to increase despite a globally troubled oil industry. Bespoke chamber operator courses remain popular, particularly associated with superyachts overseas. The MCA (maritime) courses (MCA STCW Proficiency in Medical First Aid (4 days) and MCA STCW Proficiency in Medical Care On Board Ship (5 days)) continue to develop with a slow growth in numbers.

DDRC Medical Services Limited (DDRCMS) (formerly DDRC Wound Care Limited) continues to trade at a small



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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

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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. Development of the company to encompass medical services other than wound care will enhance the opportunities for the company to become profitable in the coming year.

**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 2017/18, the consolidated business raised £2.156 million in income, up 5.9% on the previous year. This was largely due to a significant increase in income from training courses delivered by DDRCPS (a trading subsidiary). 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 increased to £1.97 million (9.9%), resulting in a net excess of income over expenditure for the period of £186k. Expenses include one or two one-off expenses, but the 2 principal drivers are employment costs (which represent over 50% of all expenditure) and depreciation, where a change in accounting policy has accelerated the write-down, to provide a more accurate representation of asset value.

The increased training income has generated a 37% increase in the surplus of DDRCPS, meaning a surplus of £198k will be passed to the Charity as a Gift Aid donation.

DDRC Medical Services Limited incurred a loss of £3.5k 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.

With the development of the Plymouth site at a more advance stage, the balance of available funds are now earmarked for this project.

£232,000 remains as unrestricted free reserves, to meet any short-term shocks. The Group consolidated free reserves are £242,505.

**PAY POLICY FOR SENIOR STAFF**

A change of Medical Director has provided an opportunity to restructure the pay structure of the senior clinical staff. Annual increases in remuneration remain aligned with that of all staff. In restructuring clinical pay 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.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

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**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, NHS England has been considering the options for altering the number of facilities and it is possible that it may look to rationalise the service 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 (see below).

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***

DDRC Professional Services Ltd has confirmed its ability to survive and flourish even when the offshore oil and gas industry is in crisis. Innovations such as online booking have seen volumes increase. The quality and flexibility of the courses retains interest from the superyacht industry, and new associations are continually being developed

***Trading Subsidiary – DDRC Medical Services Limited***

The trustees still support the work in DDRCMS, 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 DDRCMS 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. As previously reported, the Charity was looking to collaborate with the University of Plymouth in the delivery of a Brain Research and Imaging Centre. While progress has probably been slower than all parties would have liked, contracts are close to signature which should ensure this development proceeds. The unit, which should be open in spring 2020, will enhance and diversify the research portfolio of the Charity, whilst also greatly enhancing training and conference facilities.

The rental income generated should also provide a significant ongoing income stream, placing the Charity in a stronger financial position as it seeks to modernise its hyperbaric facilities and improve the patient experience.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

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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 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 31/03/2018 and signed on their behalf by:



**Mr I Berry, Acting Chair  
Trustee**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE**

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**OPINION**

We have audited the financial statements of DDRC Healthcare (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2018 set out on pages 13 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 March 2018 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 and the Charities Act 2011.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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**

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

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

**OTHER INFORMATION**

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

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

We have nothing to report in this regard.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE**

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**OPINION 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.
- 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 our knowledge and understanding of the charitable company 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:

- the parent Charity has not kept adequate and sufficient 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Group strategic report.

**RESPONSIBILITIES OF TRUSTEES**

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, 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**USE OF OUR REPORT**

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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE**

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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 opinions we have formed.

*Bishop Fleming LLP*

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: 7/12/18

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>				
Donations and legacies	2	17,892	17,892	19,802
Charitable activities	5	1,702,227	1,702,227	1,674,403
Other trading activities	3	424,164	424,164	328,099
Investments	4	11,905	11,905	13,897
<b>TOTAL INCOME</b>		<b>2,156,188</b>	<b>2,156,188</b>	<b>2,036,201</b>
<b>EXPENDITURE ON:</b>				
Raising funds	3	225,792	225,792	181,976
Charitable activities	6	1,744,667	1,744,667	1,610,904
<b>TOTAL EXPENDITURE</b>	8	<b>1,970,459</b>	<b>1,970,459</b>	<b>1,792,880</b>
<b>NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>185,729</b>	<b>185,729</b>	<b>243,321</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>185,729</b>	<b>185,729</b>	<b>243,321</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		3,256,609	3,256,609	3,013,288
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,442,338</b>	<b>3,442,338</b>	<b>3,256,609</b>

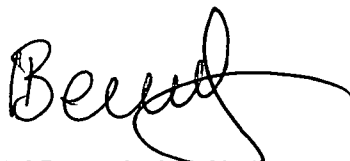
The notes on pages 17 to 32 form part of these financial statements.

**DDRC HEALTHCARE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 1480369**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	11		1,195,047		1,274,159
<b>CURRENT ASSETS</b>					
Stocks	13	10,945		9,925	
Debtors	14	146,664		105,351	
Cash at bank and in hand		2,298,215		2,044,654	
		<u>2,455,824</u>		<u>2,159,930</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(208,533)		(177,480)	
<b>NET CURRENT ASSETS</b>			<u>2,247,291</u>		<u>1,982,450</u>
<b>NET ASSETS</b>			<u>3,442,338</u>		<u>3,256,609</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	17		<u>3,442,338</u>		<u>3,256,609</u>
<b>TOTAL FUNDS</b>			<u>3,442,338</u>		<u>3,256,609</u>

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 31/10/2018 and signed on their behalf, by:



**Mr I Berry, Acting Chair**

The notes on pages 17 to 32 form part of these financial statements.



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

**CHARITY BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	11		<b>1,186,124</b>		1,258,785
Investments	12		<b>4</b>		4
			<u><b>1,186,128</b></u>		<u>1,258,789</u>
<b>CURRENT ASSETS</b>					
Stocks	13	<b>7,635</b>		7,102	
Debtors	14	<b>365,111</b>		255,839	
Cash at bank and in hand		<b>2,015,483</b>		1,836,543	
		<u><b>2,388,229</b></u>		<u>2,099,484</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	<b>(142,522)</b>		<b>(113,961)</b>	
<b>NET CURRENT ASSETS</b>			<u><b>2,245,707</b></u>		<u>1,985,523</u>
<b>NET ASSETS</b>			<u><b>3,431,835</b></u>		<u>3,244,312</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds			<u><b>3,431,835</b></u>		<u>3,244,312</u>
<b>TOTAL FUNDS</b>			<u><b>3,431,835</b></u>		<u>3,244,312</u>

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 31/10/2018 and signed on their behalf, by:



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

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	<u>291,537</u>	<u>491,020</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<u>(37,976)</u>	<u>(41,633)</u>
<b>Net cash used in investing activities</b>		<u>(37,976)</u>	<u>(41,633)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>253,561</b>	<b>449,387</b>
Cash and cash equivalents brought forward		<u>2,044,654</u>	<u>1,595,267</u>
<b>Cash and cash equivalents carried forward</b>	20	<u><u>2,298,215</u></u>	<u><u>2,044,654</u></u>

The notes on pages 17 to 32 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**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.

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 undertakings. The results of the subsidiaries 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 Charity 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 2018**

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**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 section 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 £187,515 surplus (2017: £246,828 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 2018**

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**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 2018**

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**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**

	<b>Unrestricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
Donations	<b>17,892</b>	<b>17,892</b>	<b>19,802</b>
	<hr/>	<hr/>	<hr/>
Total 2017	<b>19,802</b>	<b>19,802</b>	
	<hr/>	<hr/>	

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**3. TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Total funds 2017 £
<b>CHARITY TRADING INCOME</b>		
DDRC Professional Services Limited - UK	350,220	288,858
DDRC Professional Services Limited - Rest of world	68,927	38,659
DDRC Medical Services Limited	4,335	70
Merchandising income	682	512
	<u>424,164</u>	<u>328,099</u>
<b>FUNDRAISING TRADING EXPENSES</b>		
DDRC Professional Services Limited	219,658	175,648
DDRC Medical Services Limited	5,765	3,580
Merchandising expenses	369	2,748
	<u>225,792</u>	<u>181,976</u>
Net income from trading activities	<u>198,372</u>	<u>146,123</u>

**4. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Rental income	7,970	7,970	7,591
Bank interest receivable	3,935	3,935	6,306
	<u>11,905</u>	<u>11,905</u>	<u>13,897</u>
Total 2017	<u>13,897</u>	<u>13,897</u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Medical income	1,661,187	1,661,187	1,641,836
Conference and course fees	41,040	41,040	32,567
	<u>1,702,227</u>	<u>1,702,227</u>	<u>1,674,403</u>
Total 2017	<u>1,674,403</u>	<u>1,674,403</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**6. GOVERNANCE COSTS**

	<b>Unrestricted funds 2018 £</b>	<b>Total funds 2017 £</b>
Auditors' remuneration	7,900	7,750
Auditors' non audit costs	1,975	1,550
Wages & salaries	25,105	29,765
	<b>34,980</b>	<b>39,065</b>

**7. CHARITABLE ACTIVITIES**

	<b>Unrestricted &amp; Total 2018 £</b>	<b>Total 2017 £</b>
Administration expenses	427	-
Research expenses	81,999	84,651
Conference and course fees	32,355	26,805
Postage, printing and stationery	10,745	11,037
Ambulance costs and patient travel	95	219
Consumables	60,154	58,084
Patient's accommodation	8,758	19,008
Rent and rates	64,927	45,302
Insurance	32,750	33,365
Light and heat	16,134	14,918
Repairs and maintenance	58,075	40,894
Telephone and fax	11,236	7,905
Cleaning	7,138	7,915
Hire of equipment	5,833	5,922
Marketing and corporate identity	10,933	9,726
Legal and professional	55,764	41,395
Bank charges and interest	(364)	596
Subscriptions	21,373	15,933
Sundry expenses	10,746	18,071
Loss on disposal of fixed assets	-	30,279
Wages and salaries	993,034	920,912
National insurance	81,659	72,555
Pension cost	35,281	26,153
Depreciation	110,635	80,194
	<b>1,709,687</b>	<b>1,571,839</b>
Total 2017	<b>1,571,839</b>	



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	<b>Staff costs</b> <b>2018</b> <b>£</b>	<b>Depreciation</b> <b>2018</b> <b>£</b>	<b>Other costs</b> <b>2018</b> <b>£</b>	<b>Total</b> <b>2018</b> <b>£</b>	<b>Total</b> <b>2017</b> <b>£</b>
Fundraising trading expenses	42,665	6,452	176,675	225,792	181,976
<b>COSTS OF RAISING FUNDS</b>	<b>42,665</b>	<b>6,452</b>	<b>176,675</b>	<b>225,792</b>	<b>181,976</b>
Charitable activities	1,109,974	110,635	489,078	1,709,687	1,571,839
Expenditure on governance	25,105	-	9,875	34,980	39,065
	<b>1,177,744</b>	<b>117,087</b>	<b>675,628</b>	<b>1,970,459</b>	<b>1,792,880</b>
Total 2017	1,098,894	83,775	610,211	1,792,880	

**9. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charitable group	117,088	83,681
Auditors' remuneration - audit	7,900	7,750
Auditors' remuneration - other services	1,975	1,550

During the year, no Trustees received any remuneration (2017: £NIL).

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year, no Trustees received any reimbursement of expenses (2017: £NIL).

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**10. STAFF COSTS**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,057,900	995,415
Social security costs	83,772	76,457
Other pension costs	36,072	27,022
	<u>1,177,744</u>	<u>1,098,894</u>

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

	2018 No.	2017 No.
Staff	56	58

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Full time equivalents	26	26

The number of higher paid employees was:

	2018 No.	2017 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 £252,295 (2017: £259,654). Trustees receive no remuneration for their role and all remuneration reported relates to employees of the charity.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**11. TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Long-term leasehold property £</b>	<b>Plant and office equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>COST</b>				
At 1 April 2017	1,448,236	1,344,608	12,842	2,805,686
Additions	8,576	29,400	-	37,976
At 31 March 2018	1,456,812	1,374,008	12,842	2,843,662
<b>DEPRECIATION</b>				
At 1 April 2017	517,029	1,007,027	7,471	1,531,527
Charge for the year	44,967	70,728	1,393	117,088
At 31 March 2018	561,996	1,077,755	8,864	1,648,615
<b>NET BOOK VALUE</b>				
At 31 March 2018	894,816	296,253	3,978	1,195,047
At 31 March 2017	931,207	337,581	5,371	1,274,159
<b>CHARITY</b>				
<b>COST</b>				
At 1 April 2017	1,448,236	1,312,876		2,761,112
Additions	8,576	29,400		37,976
At 31 March 2018	1,456,812	1,342,276		2,799,088
<b>DEPRECIATION</b>				
At 1 April 2017	517,029	985,298		1,502,327
Charge for the year	44,967	65,670		110,637
At 31 March 2018	561,996	1,050,968		1,612,964
<b>NET BOOK VALUE</b>				
At 31 March 2018	894,816	291,308		1,186,124
At 31 March 2017	931,207	327,578		1,258,785

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**12. FIXED ASSET INVESTMENTS**

<b>CHARITY</b>	<b>Shares in group undertakings</b>
<b>COST</b>	<b>£</b>
At 1 April 2017 and 31 March 2018	<b>4</b>

**13. STOCKS**

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goods for resale	<b>10,945</b>	<b>9,925</b>	<b>7,635</b>	<b>7,102</b>

**14. DEBTORS**

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>36,141</b>	<b>50,819</b>	<b>23,556</b>	<b>27,920</b>
Amounts owed by group undertakings	<b>-</b>	<b>-</b>	<b>259,083</b>	<b>187,859</b>
Other debtors	<b>49,115</b>	<b>10,942</b>	<b>25,085</b>	<b>68</b>
Prepayments and accrued income	<b>61,408</b>	<b>43,590</b>	<b>57,387</b>	<b>39,992</b>
	<b>146,664</b>	<b>105,351</b>	<b>365,111</b>	<b>255,839</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>70,108</b>	68,562	<b>61,912</b>	58,237
Other taxation and social security	<b>33,323</b>	36,081	<b>24,013</b>	24,186
Other creditors	<b>10,573</b>	7,952	<b>7,074</b>	7,253
Accruals and deferred income	<b>94,529</b>	64,885	<b>49,523</b>	24,285
	<b>208,533</b>	177,480	<b>142,522</b>	113,961

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>DEFERRED INCOME</b>				
Deferred income at 1 April 2017	<b>30,044</b>	<b>21,363</b>	-	<b>4,200</b>
Resources deferred during the year	<b>27,943</b>	<b>30,044</b>	-	-
Amounts released from previous years	<b>(30,044)</b>	<b>(21,363)</b>	-	<b>(4,200)</b>
Deferred income at 31 March 2018	<b>27,943</b>	<b>30,044</b>	-	-

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

**16. FINANCIAL INSTRUMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	<b>98,070</b>	61,761
Financial liabilities measured at amortised cost	<b>180,590</b>	147,436

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

Financial liabilities measured at amortised cost comprise of trade and other creditors, other taxation and social security and accruals.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**17. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2018 £
<b>DESIGNATED FUNDS</b>					
Research and PhD funding	110,000	-	(22,000)	(88,000)	-
Diabetic foot ulcer trial	210,000	-	-	(210,000)	-
Main site development fund	1,418,157	-	-	586,629	2,004,786
Fixed assets	1,274,159	-	-	(79,112)	1,195,047
	<u>3,012,316</u>	<u>-</u>	<u>(22,000)</u>	<u>209,517</u>	<u>3,199,833</u>
<b>GENERAL FUNDS</b>					
DDRC Healthcare	232,000	1,732,399	(1,522,882)	(209,517)	232,000
DDRC Professional Services Ltd	30,305	419,454	(419,454)	-	30,305
DDRC Medical Services Ltd	(18,012)	4,335	(6,123)	-	(19,800)
	<u>244,293</u>	<u>2,156,188</u>	<u>(1,948,459)</u>	<u>(209,517)</u>	<u>242,505</u>
Total Unrestricted funds	<u>3,256,609</u>	<u>2,156,188</u>	<u>(1,970,459)</u>	<u>-</u>	<u>3,442,338</u>
Total of funds	<u>3,256,609</u>	<u>2,156,188</u>	<u>(1,970,459)</u>	<u>-</u>	<u>3,442,338</u>

**Designated funds**

*Research and PhD funding*

To fund ongoing and new research including PhD students. In the year, the balance of this fund was transferred to the main site development fund.

*Diabetic foot ulcer trial*

The Charity was engaged in a UK trial to establish the efficacy of HBO in treating diabetic foot ulcers. In the year, the balance of this fund was transferred to the main site development fund.

*Main site development fund*

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

*Fixed assets*

This fund represent the net book value of designated assets.

*Fundraising and marketing*

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**17. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2017 £
<b>DESIGNATED FUNDS</b>					
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>
<b>GENERAL FUNDS</b>					
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 Medical Services 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>

**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2018 £
Designated funds	3,012,316	-	(22,000)	209,517	3,199,833
General funds	244,293	2,156,188	(1,948,459)	(209,517)	242,505
	<u>3,256,609</u>	<u>2,156,188</u>	<u>(1,970,459)</u>	<u>-</u>	<u>3,442,338</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**17. STATEMENT OF FUNDS (continued)**

**SUMMARY OF FUNDS - PRIOR 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>

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2018 £
Tangible fixed assets	1,195,047
Current assets	2,455,824
Creditors due within one year	(208,533)
	<u>3,442,338</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR 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**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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

	<b>GROUP</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net income for the year (as per Statement of Financial Activities)	<b>185,729</b>	243,321
<b>Adjustment for:</b>		
Depreciation charges	<b>117,088</b>	83,776
Loss on the sale of fixed assets	-	30,279
Increase in stocks	<b>(1,020)</b>	(430)
(Increase)/decrease in debtors	<b>(41,313)</b>	123,058
Increase in creditors	<b>31,053</b>	11,016
<b>Net cash provided by operating activities</b>	<b>291,537</b>	491,020

**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>GROUP</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>2,298,215</b>	2,044,654
<b>Total</b>	<b>2,298,215</b>	2,044,654

**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 £36,072 (2017: £27,022). Contributions totaling £2,810 (2017: £3,625) were payable to the funds at the balance sheet date.

**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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**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 2018	£ 334,216
Total liabilities as at 31 March 2018	£ (303,909)
Total equity as at 31 March 2018	£ 30,307
Turnover for the year ended 31 March 2018	£ 427,797
Expenditure for the year ended 31 March 2018	£ (230,372)
Profit for the year ended 31 March 2018	£ 197,425

**DDRC Medical Services Limited**

Subsidiary name	DDRC Medical Services Limited
Company registration number	07560790
Basis of control	100% subsidiary undertaking
Equity shareholding %	100%
Total assets as at 31 March 2018	£ 3,117
Total liabilities as at 31 March 2018	£ (22,915)
Total equity as at 31 March 2018	£ (19,798)
Turnover for the year ended 31 March 2018	£ 4,335
Expenditure for the year ended 31 March 2018	£ (6,123)
Loss for the year ended 31 March 2018	£ (1,788)

DDRC Medical Services 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.