



THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

**THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees

Sir Adrian Montague
Dr Tracey Batten
Dr Sean Elyan
Sir Robert Francis QC
Ms Ceinwen Giles
Ms Rebecca Gray
Mr Michael Nutt
Mr Hardev Virdee

Charity number

1151628

Principal address

2nd Floor
99 Gray's Inn Road
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WC1X 8TY

Auditor

Hazlems Fenton LLP
Chartered Accountants
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THE POINT OF CARE FOUNDATION

(A CHARITABLE INCORPORATED ORGANISATION)

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THE POINT OF CARE FOUNDATION (A CHARITABLE INCORPORATED ORGANISATION) TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2017

The trustees present their report and accounts for the year ended 30 April 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Foundation's Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The overarching strategic aim of the Foundation is to humanise health and social care, making services and the workplace more human for those cared for and staff. The Foundation works to improve patients' experience of care and increase support for the staff who work with them.

We believe that a truly patient-centred approach – focussed on listening, understanding and responding to the needs of the whole individual – is essential to the delivery of the best possible quality of care. We further this vision by providing evidence and resources to support health and care staff in the valuable work of caring for patients.

In its Business Plan for 2017/18 the Foundation organises its activities to deliver on the overarching aim under four objectives each with a strategy for meeting the objective as follows:

1. **Thought leadership:** *We aim to influence national policy and service goals.*
2. **Strengthen leadership for humanity in care:** *Support local leaders to prioritise and sustain their focus on good experiences and relationships.*
3. **Empower more patients and more staff to lead bottom up change:** *Offer training in tools and methods that empower patients and staff to collaborate and make change together.*
4. **Help more staff access forums for reflective practice:** *Help organisations establish times and places for staff to reflect on their work.*

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Foundation should undertake.

Objectives for the public benefit

The Point of Care Foundation is an independent charity, whose charitable objectives, as set out in its constitution, are:

- The advancement of education of the public, in particular those working in health and social care, in methods and skills to improve patients' and service users' care experience and
- To promote research for the public benefit in all areas of that subject and
- To publish the useful results of such research with the object of improving health and social care outcomes for patients, service users and their families and carers.

In the Achievements and Performance section below, we outline how we meet those objectives through training and support, information sharing and research.

Achievements and performance

In the year ended 30th April 2017 the Foundation furthered its central aim with activities designed to deliver the four objectives referred to above. Key achievements and performance in each area are as follows:

THE POINT OF CARE FOUNDATION (A CHARITABLE INCORPORATED ORGANISATION) TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2017

1. Thought Leadership

Two articles on Schwartz Rounds have been published since May 2016 authored by members of the Foundation's team. Support for compassionate care: 'Quantitative and qualitative evaluation of Schwartz Center Rounds in an acute general hospital' published in July 2016 in the Journal of the Royal Society of Medicine Open and 'What makes a compassionate relationship between caregiver and patient? Findings from the 'anniversary' Schwartz Rounds' published in September 2016 in Journal of Compassionate Health Care. The Chief Executive also wrote an essay for a collection titled 'Organising Care at the NHS Front Line: Who is Responsible?' published by the Kings Fund in May 2017. These together with blogs and speaking engagements including Nuffield Trust, British Medical Association, Institute for Health Improvement (Boston, USA), Change Foundation (Toronto, Canada) and the Health Service Executive (Dublin, Ireland) have continued the work on promoting humanity in the delivery of healthcare.

The Foundation has become a key partner of a new health care improvement research institute based at the University of Cambridge which is being headed by Professor Mary Dixon-Woods and funded over a 10-year period by The Health Foundation. As a partner of the new institute, the Foundation will have an excellent opportunity to be able to influence research and policy in healthcare.

During this last year the Foundation has also convened an Education Sounding Board to explore the teaching of professionalism across medical schools in the UK. The board has 15 members made up of representatives from medical schools, academics, the General Medical Council ("GMC") and the Nuffield Trust. This important work is being taken forward in a project to produce a report on best practice in teaching compassion and resilience in medical schools for medical schools, the GMC and other appropriate bodies to inform future education curriculum. This work is being funded by a donation of £14,790 from Roche Products Limited with match funding from the GMC.

We continue to grow the number of supporters we have in our digital activities. Subscriptions to our newsletters have grown by over 500 and our Twitter followers doubled during the course of the year. Our website also hosts a regular series of blogs by a range of authors extending the range of ways we try and influence people leading and working in healthcare.

2. Strengthen leadership for humanity in care

The Heads of Patient Experience ("HOPE") network continued to grow with recruitment of new members exceeding the target set for the year of a total membership of 200. The three network meetings held in July and November 2016 and March 2017 had specific themes: Patient involvement and leadership; Strengthening the influence of the network and its members; and Bringing together patient and staff experience.

The plan to increase the membership of the network by 60 members was comfortably met with an additional net increase in membership of 84.

The Foundation was commissioned by the leadership team for cancer at Guy's and St Thomas' NHS Foundation Trust to provide improvement training and support for the staff as they moved into the new Cancer Centre at Guy's Hospital. This work was focussed on making the new centre patient-centred and was undertaken between November 2016 and May 2017.

3. Empower more patients and more staff to lead bottom up change

There has been a growing interest in evidence-based co-design ("EBCD") and we were commissioned to deliver a number of training events by various organisations including: the Health Innovation Network South London; a collaboration of CREATE, Kings College, the University of Leeds, St George's University Hospitals NHS Foundation Trust, and Glasgow School of Art. The Foundation also won a contract to train the Quality Improvement Academy at Basildon and Thurrock University Hospitals NHS Foundation Trust in patient centred service design. We have also successfully implemented the EBCE methodology in the learning disabilities service in Oxford.

We have continued with the three year project to improve end-of-life care in the south of England, working in partnership with NHS England South and the support of a grant from The Health Foundation. The programme is using the patient and family centred care ("PFCC") methodology. We hosted a large event in February 2017 attended by senior managers, clinical leaders and a number of the teams that had participated in the programme. It provided a valuable opportunity to showcase innovative work in end-of-life care and to strengthen clinical networks.

THE POINT OF CARE FOUNDATION (A CHARITABLE INCORPORATED ORGANISATION) TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2017

4. Help more staff access forums for reflective practice

During the year ended 30th April 2017 twenty-six new sites signed up to run Schwartz Rounds ("Rounds") which was a reduction of three on the previous year and has extended a declining trend driven in part we suspect, by worsening financial constraints in the NHS. At the end of the financial year there were 168 organisations running Rounds; the majority of these were either NHS trusts or hospices but also included a GP federation, a prison and medical schools. There were thirty-four organisations that had completed the programme to implement the Rounds and had signed up to membership of the Schwartz community taking the total membership to eighty organisations.

We ran two regional conferences for the Schwartz community (in London and Manchester) and launched the Schwartz Awards which are aimed at engaging staff from the community in showcasing their work. Entries for the awards were displayed at the conferences.

We were successful in an application to the John Ellerman Trust for £90,000 of grant funding for a three-year project to develop resources and support for the Schwartz community. This work is to commence in May 2017.

In April 2017 following a successful pilot of Schwartz Rounds in two hospitals and a hospice in Ireland, the Foundation signed a contract with the Health Service Executive in the Republic of Ireland to roll out Rounds to up to thirty sites in the Irish health service.

We also continue to work on extending Schwartz Rounds into new settings: primary care, social care, clinical education and prisons and have had a warm reception from organisations in these sectors and have started to achieve sign-ups.

Financial review

The financial year ended 30th April 2017 was the fourth year of the life of the Foundation and its financial performance in good part reflects the funding environment in which it operated. Much of the work undertaken by the Foundation is with NHS Trusts and hospices and the financial constraints faced by the UK's health services has led to a considerable slow-down in the take-up of Schwartz Rounds and quality improvement services. In addition the fundraising strategy that was agreed at the start of the financial year has had limited success despite the submission of a considerable number of applications and bids to a wide range of trusts and other funding organisations.

Income grew by just over two per cent to £881,303 from the previous year (2016: £860,881). Income from implementing Schwartz Rounds in organisations and providing support to the Schwartz community was materially at the same level as the previous year forming 64 percent of total income (2016: 66 percent). Income reported in respect of the patient and family centred care project funded by a 3-year grant from The Health Foundation increased by £48,000 compared to the previous year. Income from co-design work on the other hand decreased by a similar amount.

The total resources expended increased year-on-year by £101,271 or 13 percent, to £907,243 (2016: £805,972). The increase in spend included £34,000 in respect of fundraising costs, an increase in spend of £31,000 on the patient and family centred care project and an increase in Schwartz costs of £17,000 arising from the two regional conferences during the year. The Foundation had a deficit of income over expenditure of £25,940 (2016: surplus of £54,909).

At 30th April 2017, the balance sheet showed net assets of £231,187 (2016: £257,127) with no restricted funds (2016: £82,908). The bank balance at the balance sheet date was £567,707 (2016: £741,538) although it should be noted that 78 percent (2016: 80 percent) of this comprised income deferred into subsequent years since it related to services contracted but not yet delivered as at 30th April 2017.

Reserves policy

The Trustees continue to adopt a reserves policy to reflect the state of development of the charity, financial commitments made to date and the risk associated with the continuation of income generation going forward. The Trustees have established an unrestricted reserves policy with a reserves level set at £85,000. This level would allow the Board to cover the costs of closure, should revenues not continue.

The Board will continue to review the level of reserves on an ongoing basis, in line with the charity's commitments and key risks.

THE POINT OF CARE FOUNDATION (A CHARITABLE INCORPORATED ORGANISATION) TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

Risk management

The Point of Care Foundation maintains a risk register and regularly reviews and evaluates risk and identifies appropriate preventative activities to minimise risk to the organisation. Trustees are confident that risks have been identified and appropriate risk management measures are in place. However risks are kept under continual review and regular risk evaluation exercises are undertaken with trustees.

Structure, governance and management

The Foundation is a charitable incorporated organisation and was established by a Constitution on 12 April 2013.

The trustees who served during the year were:

Sir Adrian Montague
Dr Tracey Batten
Dr Sean Elyan
Sir Robert Francis QC
Ms Ceinwen Giles
Ms Rebecca Gray
Mr Michael Nutt
Mr Hardev Virdee

Recruitment and appointment

No trustees were recruited or appointed during the year 2016-17. Dr Tracey Batten resigned as a Trustee and finished her term on 31st July 2017.

Organisation

The governance of the charity is the responsibility of the Board of trustees, which takes decisions on the strategic leadership of the organisation by democratic majority vote at its general meetings, which take place quarterly. The July board meeting is an all-day meeting for all trustees and staff on the five year strategy. The elected trustees serve a three year term.

Induction and training

As part of their induction, all new trustees are offered formal induction meetings with the Chairman and the Chief Executive. They also receive a pack of papers on the work of the charity containing recent board papers and Charity Commission guidance on trustee responsibilities.

Related parties

There are no related parties to the way in which the Foundation carries out its business and objectives apart from that detailed in note 18.

Plans for the future

The Foundation has an operational plan for 2017/18 that contains the agreed strategies and actions required to deliver the four objectives set out above. Given the predicted continuation of the current poor financial environment this plan has been drawn up to develop the Foundation's enterprise capability. In essence this will require it to sustain itself on the basis of selling its products and services becoming less reliant on grant income. Development work is being undertaken on the pricing and promotion of products and services offered by the Foundation together with associated supporting systems and processes.

Planned work on thought leadership for 2017/18 includes the publication of a report on staff experience in the NHS. The report, 'Behind Closed Doors: Can we expect NHS staff to be shock absorbers of a system under pressure?' was launched on 21st July 2017. The National Institute of Health Research Health Services (NIHR) study, led by Professor Jill Maben and entitled, 'Supporting NHS staff at work: Could Schwartz Centre Rounds hold the key to a happier, healthier workforce and enhance compassionate care?' is complete and it is hoped that this will be published during the course of 2017/18. In addition the Foundation is running a national conference 'Making healthcare more human' on 3rd October 2017 at which it will explore the following questions: what a system of healthcare that is more human might look and feel like in practice; what does collaboration in relationships between professionals, patients and carers look and feel like; and how are healthy organisations created?

**THE POINT OF CARE FOUNDATION
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TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 30 APRIL 2017

The second objective to strengthen leaders'hip for humanity in care, will be furthered by the continued growth and development of the HOPE network. The Foundation will develop a qualification for heads of patient experience in NHS organisations and is intending to launch this in 2017/18.

As part of the third objective of empowering more patients and more staff to lead bottom up change, the Foundation is developing a single modular Quality Improvement programme that brings the tools and techniques from EBCD and PFCC together. The programme will be named The Sweeney Programme after Dr Kieran Sweeney who was an advisor to the Point of Care when it was at The King's Fund. Kieran was a GP and academic who died prematurely from mesothelioma (asbestos-related cancer) when he was fifty-seven years old. Throughout his career, as well as in the last months of his life, he wrote about compassion and humanity in care. The Foundation intends to promote this programme of tools and techniques for improving patient's experience and supporting staff to work differently in the second half of 2017/18.

In addition work continues on the final year of the PFCC project funded by The Health Foundation with the final cohort of 'End of Life care' projects undertaking their work and the evaluation by Kingston University being conducted.

Finally the strategy to spread Schwartz Rounds across the health service in the UK continues with active promotion being undertaken through events, mailings and face-to-face meetings with interested organisations. We are developing with partners, a smaller version of Schwartz Rounds that can be experienced nearer to where busy staff work at a range of different times. In addition the contract referred to above to roll out Rounds in Ireland will be delivered in 2017/18. A key priority is to strengthen the Schwartz community so that members receive peer support, have access to practical resources and are able to network with one another. A grant from the John Ellerman Trust also referred to will fund these developments. The Foundation is also developing Schwartz Rounds for use in prisons and social care settings

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



Sir Adrian Montague

Trustee

Dated: 11-9-2017

**THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 30 APRIL 2017

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE POINT OF CARE FOUNDATION (A CHARITABLE INCORPORATED ORGANISATION) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE POINT OF CARE FOUNDATION

We have audited the accounts of The Point of Care Foundation for the year ended 30 April 2017, as set out on pages 9 to 20. 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 charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities set out on page 6, the trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts 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 accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 30 April 2017 and of its incoming resources and application of resources, 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 Charities Act 2011.

**THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF THE POINT OF CARE FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Other matter

Your attention is drawn to the fact that the charity has prepared accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.



Hazlems Fenton LLP

**Chartered Accountants
Statutory Auditor**

11-9-2017

Chartered Accountants
Palladium House
1-4 Argyll Street
London
W1F 7LD

Hazlems Fenton LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	2	6,909	236,312	243,221	236,879
Charitable activities	3	637,011	-	637,011	622,106
Investments	4	1,071	-	1,071	1,896
Total income		644,991	236,312	881,303	860,881
<u>Expenditure on:</u>					
Raising funds	5	52,125	-	52,125	17,803
Charitable activities	6	535,898	319,220	855,118	788,169
Total resources expended		588,023	319,220	907,243	805,972
Net income/(expenditure) for the year/ Net movement in funds		56,968	(82,908)	(25,940)	54,909
Fund balances at 1 May 2016		174,219	82,908	257,127	202,218
Fund balances at 30 April 2017		231,187	-	231,187	257,127

The statement of financial activities includes all gains and losses recognised in the year.


All income and expenditure derive from continuing activities.

**THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
BALANCE SHEET**

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	11		20,822		23,431
Tangible assets	12		51,756		68,370
			<u>72,578</u>		<u>91,801</u>
Current assets					
Debtors	14	242,354		160,826	
Cash at bank and in hand		<u>567,707</u>		<u>741,538</u>	
		810,061		902,364	
Creditors: amounts falling due within one year	15	<u>(651,452)</u>		<u>(737,038)</u>	
Net current assets			<u>158,609</u>		<u>165,326</u>
Total assets less current liabilities			<u>231,187</u>		<u>257,127</u>
Income funds					
Restricted funds	17		-		82,908
Unrestricted funds			<u>231,187</u>		<u>174,219</u>
			<u>231,187</u>		<u>257,127</u>

The accounts were approved by the Trustees on 11-9-2017


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Sir Adrian Montague
Trustee

THE POINT OF CARE FOUNDATION (A CHARITABLE INCORPORATED ORGANISATION) NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Charity information

The Point of Care Foundation is a Charitable Incorporated Organisation.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Foundation is a Public Benefit Entity as defined by FRS 102.

The Foundation has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 30 April 2017 are the first accounts of The Point of Care Foundation prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 20.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds represent funds which are expendable at the discretion of the trustees for the furtherance of the objects of the charity. Such funds may be held for the purposes of meeting the administration and operational costs of the charity.

Restricted funds represent grants which are allocated by the donor for specific purposes.

1.4 Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to their receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be used in a future accounting period.

Grant income is recognised on a receivable basis.

The funding is received in accordance with the provisions and conditions as specified in the offer letters which regulate the way in which such funds may be spent.

**THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

1.5 Resources expended

This relates to the costs of carrying out the activities of the charity. Where there are costs common to both direct charitable and management expenditure judgement is applied on a time allocation basis.

1.6 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	33% straight line
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over life of lease
Computer equipment	33% straight line
Office equipment	10% straight line

1.8 Impairment of fixed assets

At each reporting end date, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

The Foundation operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.13 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.14 Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

THE POINT OF CARE FOUNDATION
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	6,909	-	6,909	-
Grants receivable for core activities	-	236,312	236,312	236,879
	<u>6,909</u>	<u>236,312</u>	<u>243,221</u>	<u>236,879</u>
For the year ended 30 April 2017	6,909	236,312	243,221	236,879
	<u>-</u>	<u>236,879</u>		<u>236,879</u>
For the year ended 30 April 2016	-	236,879		236,879

3 Charitable activities

	Services from direct charitable activities	Research activities	Total 2017	Total 2016
	£	£	£	£
Charitable activities	620,891	16,120	637,011	622,106

4 Investments

	2017	2016
	£	£
Interest receivable	1,071	1,896

5 Raising funds

	2017	2016
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	52,125	17,803
	<u>52,125</u>	<u>17,803</u>
For the year ended 30 April 2016		
Fundraising and publicity		17,803

THE POINT OF CARE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

6 Charitable activities

	Activities to deliver charitable objectives	Research activities	Total 2017	Total 2016
	£	£	£	£
Staff costs	475,228	22,895	498,123	462,207
Depreciation and impairment	31,393	-	31,393	17,173
Other costs	207,702	-	207,702	189,084
	<u>714,323</u>	<u>22,895</u>	<u>737,218</u>	<u>668,464</u>
Share of support costs (see note 7)	67,040	-	67,040	56,069
Share of governance costs (see note 7)	50,860	-	50,860	63,636
	<u>832,223</u>	<u>22,895</u>	<u>855,118</u>	<u>788,169</u>
Analysis by fund				
Unrestricted funds	513,003	22,895	535,898	
Restricted funds	319,220	-	319,220	
	<u>832,223</u>	<u>22,895</u>	<u>855,118</u>	
For the year ended 30 April 2016				
Unrestricted funds	505,745	22,008		527,753
Restricted funds	260,416	-		260,416
	<u>766,161</u>	<u>22,008</u>		<u>788,169</u>

7 Support costs

	Support costs	Governance costs	2017	2016	Basis of allocation
	£	£	£	£	
Staff costs	67,040	-	67,040	56,069	Staff costs
General administration	-	46,496	46,496	51,572	Governance costs
Other governance costs	-	4,364	4,364	12,064	Governance costs
	<u>67,040</u>	<u>50,860</u>	<u>117,900</u>	<u>119,705</u>	
Analysed between					
Charitable activities	<u>67,040</u>	<u>50,860</u>	<u>117,900</u>	<u>119,705</u>	

Governance costs includes auditor's remuneration of £5,000 (2016: £4,500) for audit fees exclusive of Value Added Tax.

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FOR THE YEAR ENDED 30 APRIL 2017

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year, with regard to their services as a trustee. One trustee was paid for her separate role in a specific project - see note 18.

9 Employees

Number of employees

The average monthly number employees during the year was:

	2017	2016
	Number	Number
	12	12
	<hr/>	<hr/>
Employment costs	2017	2016
	£	£
Wages and salaries	434,955	461,526
Social security costs	52,322	47,732
Other pension costs	10,846	9,018
	<hr/>	<hr/>
	498,123	518,276
	<hr/>	<hr/>

The number of employees whose annual remuneration was £60,000 or more were:

	2017	2016
	Number	Number
Between £70,000 and £80,000	1	1
	<hr/>	<hr/>

10 Taxation

The Foundation is a registered charity and is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions to registered charities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

11 Intangible fixed assets

	Website costs £
Cost	
At 1 May 2016	39,504
Additions - separately acquired	9,079
At 30 April 2017	48,583
Amortisation and impairment	
At 1 May 2016	16,073
Amortisation charged for the year	11,688
At 30 April 2017	27,761
Carrying amount	
At 30 April 2017	20,822
At 30 April 2016	23,431

12 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Office equipment £	Total £
Cost				
At 1 May 2016	27,320	32,621	20,158	80,099
Additions	1,273	1,336	482	3,091
At 30 April 2017	28,593	33,957	20,640	83,190
Depreciation and impairment				
At 1 May 2016	1,034	9,195	1,500	11,729
Depreciation charged in the year	6,731	10,942	2,032	19,705
At 30 April 2017	7,765	20,137	3,532	31,434
Carrying amount				
At 30 April 2017	20,828	13,820	17,108	51,756
At 30 April 2016	26,286	23,426	18,658	68,370

13 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	162,489	127,257
Carrying amount of financial liabilities		
Measured at amortised cost	46,667	42,169

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

14 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	162,489	127,257
Prepayments and accrued income	79,865	33,569
	<u>242,354</u>	<u>160,826</u>

15 Creditors: amounts falling due within one year

	Notes	2017	2016
		£	£
Other taxation and social security		34,859	58,945
Deferred income	16	569,926	635,924
Trade creditors		19,054	22,747
Accruals and deferred income		27,613	19,422
		<u>651,452</u>	<u>737,038</u>

16 Deferred income

	2017	2016
	£	£
Other deferred income	569,926	635,924

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the funder has specified that the income is to be used in a future accounting period.

17 Restricted funds

	Balance at 1 May 2016	Incoming resources	Outgoing resources	Balance at 30 April 2017
	£	£	£	£
MacMillan Cancer Support	67,750	78,600	(146,350)	-
Patient & Family Centred Care	15,158	157,712	(172,870)	-
	<u>82,908</u>	<u>236,312</u>	<u>(319,220)</u>	<u>-</u>

18 Operating lease commitments

At the reporting end date the Foundation had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017	2016
	£	£
Within one year	60,444	60,444

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

18 Operating lease commitments

Between two and five years	126,662	187,106
	<u>187,106</u>	<u>247,550</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	<u>121,268</u>	<u>128,682</u>

Ceinwen Giles, a Trustee invoiced the Charity £3,748 in the year (2016: £4,658) for support services in respect of the HOPE programme which the Charity is delivering.

20 Reconciliations on adoption of FRS 102

Reconciliation of fund balances

		At 1 May 2015	At 30 Apr 2016
	Notes	£	£
Fund balances as reported under previous UK GAAP		202,218	265,475
Holiday Pay Accrual	i	-	(8,348)
Fund balances reported under FRS 102		<u>202,218</u>	<u>257,127</u>

Reconciliation of net movement in funds

	Notes	2016
		£
Net movement in funds as reported under previous UK GAAP		63,257
Holiday Pay Accrual	i	(8,348)
Net movement in funds reported under FRS 102		<u>54,909</u>

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FOR THE YEAR ENDED 30 APRIL 2017

20 Reconciliations on adoption of FRS 102

Notes to reconciliations on adoption of FRS 102

(i) Holiday pay accrual

Holiday pay is now recognised in the period when employees render the services which entitles them to paid holiday leave. Previously, holiday pay was recognised in the period in which it was paid.