



Report of the Board and Consolidated Financial Statements

For the year ended 31st March 2021

Picker Institute Europe
Buxton Court
3 West Way
Oxford OX2 0JB
T: +44 (0) 1865 208100
F: +44 (0) 1865 208101
E: info@pickereurope.ac.uk
www.picker.org

Charity registered in England and Wales: 1081688
Charity registered in Scotland: SC045048
Registered Company Limited by Guarantee: 3908160

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Reference and administrative details

Registered name:	Picker Institute Europe
Other names:	Picker
Registered Charity in England and Wales:	Number 1081688
Registered Charity in Scotland:	Number SC045048
Registered Company Limited by Guarantee:	Number 3908160
Registered office address:	Buxton Court, 3 West Way, Oxford OX2 0JB

Patron: Stuart Bell CBE

Directors and Trustees:

The directors of the charitable company are its trustees for the purposes of charity law. The trustees and officers serving during the year and since the year end were as follows:

Professor Aileen Clarke	Chair
Sally Syke	Honorary Treasurer
Paul Blunden	Deputy Chair (Resigned 30 th July 2021)
Professor Gary Ford CBE	
Diane French	
Elizabeth Hampson	(Resigned 15 th December 2020)
Annie Lavery	(Resigned 24 th November 2020)
Ronny Odegbami	
Suzanne Rastrick OBE	(Resigned 10 th June 2021)
Professor Wendy Reid	

Company Secretary: Chris Graham

Executive Team who are the key management personnel:

Chris Graham	Chief Executive Officer
Phillip Stylianides	Chief Operations Officer
Jenny King	Chief Research Officer
Mark Collins	Chief Financial Officer
Charnelle Dearing	Chief People Officer (until December 2020)
Phillip Stylianides	Managing Director, Picker HWA Ltd incorporated on 24 th May 2021 as a wholly owned subsidiary

Our advisers:

Auditors:	Moore Kingston Smith LLP	The Shipping Building, The Old Vinyl Factory, Blyth Road, Hayes, London UB3 1HA
Main bankers:	NatWest Bank	Willow Court, 7 West Way, Oxford OX2 0JB
Main solicitors:	Wilsons Solicitors LLP	4 Lincoln's Inn Fields, London WC2A 3AA

Structure, governance and management

The governing document is the Memorandum and Articles of Association dated 21st March 2014. The members of the Board of Trustees are the directors of the company. It has no share capital and the members of the charity are the trustees, each of whom agrees to contribute such amount as may be required (not exceeding £1.00) in the event of the charity winding up.

Recruitment of trustees is by open application to the Appointments and Remuneration Committee who shortlist and interview prospective trustees together with the Chief Executive Officer. Appointment is by resolution of the Board of Trustees. Prior to appointing or re-appointing trustees the Board of Trustees reviews the skills mix and tries to ensure that all relevant areas of expertise are covered.

Trustees serve for an initial three year period after which they may be re-appointed for a further three year term, with the exception of the Chair and Honorary Treasurer, who may be re-appointed by a resolution of the trustees to continue in office for one year after the end of their term of office. Trustees who have served two consecutive terms of office may not be re-appointed for a further term until a period of one year has elapsed unless the trustees resolve, by a 75% majority that the trustee may be re-appointed immediately for a further term of three years. The Chair and Honorary Treasurer are appointed by the trustees from among their number.

The board convenes at least five times per year and has a 'matters reserved for the board' document that sets out the matters that will only be decided by the board to meet legal requirements or in the interests of the charity as a whole. The board controls the charity's overall strategy and sections in the document cover:

1. Strategy and management
2. Structure
3. Financial reporting and controls
4. Internal controls
5. Contracts
6. Communication
7. Board membership and other appointments
8. Remuneration
9. Delegation of authority
10. Corporate governance matters
11. Policies; and
12. Other miscellaneous items.

Matters which the board considers suitable for delegation are contained in the terms of reference of its committees. Day-to-day managerial responsibility is delegated to the Executive Team lead by the Chief Executive Officer.

On appointment each trustee is given an induction pack that includes the Memorandum and Articles of Association, strategic risk register, staff organisational chart, copies of the latest Report of the Board and Financial Statements, impact report and current business plan. They are also given a copy of Charity Commission leaflet CC3 'The Essential Trustee' together with the latest issue of Charity Governance magazine. New trustees meet with the Chair and Chief Executive Officer and are invited to take part in induction meetings with key staff. Training is offered on a continual basis to all trustees to assist them in their role and governance of the charity.

As well as regular meetings of the Board of Trustees, there are also the following two standing committees:

Finance, Audit and Risk Committee

The committee is a joint trustee/executive committee with membership at the year end of:

Sally Sykes – Honorary Treasurer (Chair of the Committee)
Professor Aileen Clarke – Chair
Paul Blunden – Trustee
Suzanne Rastrick – Trustee
Chris Graham – Chief Executive Officer
Mark Collins – Chief Financial Officer
Phillip Stylianides – Chief Operations Officer

Appointments and Remuneration Committee

The membership of the committee at the year end was:

Ronny Odegbami – Trustee (Chair of the Committee)
Sally Sykes – Honorary Treasurer
Professor Aileen Clarke – Chair
Diane French – Trustee
Professor Gary Ford – Trustee

Register of interests and people with significant control

The charity maintains a register of trustees' interests and a register of people with significant control at the registered office address. There is no person or legal entity with significant control.

Report of the Board of Trustees

The trustees of Picker Institute Europe (Picker) are pleased to present their annual report together with the consolidated financial statements of the charitable company and its subsidiary for the year ended 31st March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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).

Objects and activities

Our objects

The objects of the charity are:

- to promote public health for the benefit of the community in particular by improving standards of treatment and care for patients of health care services;
- to advance education in healthcare in particular by the provision of training for healthcare professionals in communication skills; and
- to advance education in healthcare in particular by developing research tools and undertaking research into patients' perspectives of health care services and to publish the useful results of the same for the public benefit.

Our vision

The highest quality person centred care for all, always.

Our mission

We are here to:

- Influence** policy and practice so that health and social care systems are always centred around people's needs and preferences.
- Inspire** the delivery of the highest quality person centred care, developing tools and services that enable people's experiences to be better understood.
- Empower** staff working in health and social care to improve experiences by effectively measuring and acting upon people's feedback.

Our values

We are proud of the work we do, and are equally proud of the way we do it.

Our core values – excellence, integrity, valuing diversity and collaboration – underpin everything that we do, reflecting what we believe in and how we behave.

- Excellence:** Maintaining the quality and consistency of our work is our highest priority. We are not willing to accept the status quo and continuously look for new ways to understand, measure and improve the quality of health and social care.
- Integrity:** We ensure our independence using the best possible evidence to drive and support our decision making, our statements and our activities. Our behaviours match our words and we are accountable for all that we do. We only engage in activity which furthers our charitable aims.
- Valuing diversity:** We recognise all people as equals, valuing individual worth and diversity. Ideas and contributions are judged on their merit not their source.
- Collaboration:** We encourage ideas and knowledge to be shared freely. We believe that lasting change cannot be delivered in isolation and actively seek partnership opportunities to achieve greater impact.

Activities

Picker carries out a range of activities to further its charitable objects. Collectively, these include research and insight work around person centred care, as well as work to measure and improve staff and users' experiences of care. Typical examples of our activities include:

- Developing and implementing applied social research including surveys, interviews, and focus groups to gather feedback about the quality of care services.
- Designing and conducting in-depth research to evaluate the impact of policy and practice on people's experiences and service quality, and creating innovative new approaches to support better measurement.
- Sharing research findings and best practice with the wider community of policy makers, professionals, researchers, and the public to inspire and enable improvements in the quality of services.

Public benefit

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

The trustees ensure that our work is carried out for the public benefit by delivering services that directly involve the public and, wherever possible, seldom heard communities, and ensure that those with responsibility to influence patient care have both the information and tools to aid them in their role. Our beneficiaries are the public and all involved in health and social care (patients, service users, friends and families, and care staff). We promote public health to improve standards of treatment and care and by developing research tools and undertaking research into patients' perspectives of health care services and publishing them for the public benefit. All our products and services are designed to deliver benefit for patients, service users, communities, care professionals, and the public regardless of whether they are undertaken under contract, are grant aided, or are an allocation of resources.

Volunteers

We actively seek input from patients and members of the public in much of the work we do, and opportunities are available for volunteers to contribute to the design, planning, and delivery of research studies that we conduct. Further opportunities are available for volunteers to gain experience at Picker and to help achieve the organisation's objectives.

Strategic report

Achievements and performance

We pioneered the Picker Principles of Person Centred Care, which continue to be used as a world-renowned framework to support the delivery of consistent, high-quality care. We influence, inspire, and empower others to ensure that people are placed at the heart of health and social care provision. We believe advocating for the delivery of each of the Principles is crucial to achieving this.

We are experts in understanding and measuring people's experiences. Our research provides the clarity, tools and data to achieve the buy-in needed to drive improvements in care standards.

We use our experience and expertise to help care providers, commissioners, and professionals engage and empower people to build a culture that consistently delivers person centred care for all, always.

Particular successes or items of strategic importance during the financial year ending 31st March 2021 include:

- The 2019 NHS Long Term Plan called for the development of an 'integration index' to support a better understanding of service users' experiences of care coordination, in order to achieve the goal of holistic and personalised care that empowers and supports individuals. In response, NHS England and NHS Improvement commissioned Picker to develop and pilot an approach to gathering feedback for the National Integration Index. Alongside this, Picker and The King's Fund are collaborating to develop methods for understanding people's experiences of integration locally. Together, these projects test ways of gathering data at health and care system and at national level, and their findings will be important for informing future measurement work around new Integrated Care Systems.
- The 'We are the NHS: People Plan for 2020/2021 – action for us all' describes the health service's workforce strategy, emphasising a need to build and support the workforce by improving organisational cultures. The plan includes a commitment to exploring options to implement a staff survey in primary care, similar to the existing NHS Staff Survey. NHS England and NHS Improvement commissioned Picker to explore the feasibility of an NHS Primary Care Staff Survey that would have an equivalent level of data quality to the current NHS Staff Survey and could be used for similar purposes. This study explored the feasibility of developing a survey of staff in a range of primary care roles and settings, including general practice, optometry, dental practice, and pharmacy.
- The National Cancer Patient Experience Survey – In May 2019 Picker was awarded a three-year contract to work alongside NHS England and NHS Improvement in delivering the National Cancer Patient Experience Survey. First undertaken in 2010, this survey encompasses the experience of thousands of adult cancer patients across England and is a key resource for healthcare professionals looking to improve their services. Results for the 2019 iteration of the survey were published in June 2020 with provider and alliance action planning workshops held in September 2020.
- We worked with leading international thyroid experts on a project funded by Institut BioChimique SA (IBSA) to understand the treatment, care, support needs, satisfaction, and quality of life of people over the age of 18 who have hypothyroidism. Working with Thyroid Federation International we coordinated the dissemination of a questionnaire globally. A paper will be submitted to a peer reviewed journal in 2021 where the insights will allow us to understand the self-reported symptoms and quality of life of hypothyroid patients, as well as treatment satisfaction.



- We have continued to host well-received national and local improvement workshops for organisations we work with. Due to the lockdown measures imposed in response to the Covid-19 pandemic, much of this activity has been conducted remotely in 2020/21. Our programme of events in 2020/21 has included:
 - three national workshops;
 - 61 virtual workshops/presentations; and
 - 25 pre-recorded presentations.
- Over the last year we surveyed over 1.0 million people and worked with over 235 organisations.
- Working on behalf of NHS England and Improvement, we adapted the 2020 NHS Staff Survey to gather feedback on staff experiences of working through the early months of the pandemic. Despite conducting the survey in a period of heavy demand on healthcare staff, we were able to collect more than 595,000 responses, maintaining a strong response rate to provide high quality evidence to support workforce management and planning. We were also able to include open ended questions for the first time, allowing staff to share their views on what worked well and what should be learned from operating during the pandemic: findings from this analysis were published nationally and locally in May 2021.

- We have continued to deliver a diverse portfolio of research projects supporting person centred care in a wide range of settings. These include new projects with and for the National Institute for Health Research; the International Kidney Cancer Coalition; the Health Service Executive of Ireland; Sunrise Senior Living; and more.

Our purpose: publish new research and insight into the importance and impact of person centred care, securing our status as a thought leader and innovator.

There has been strong evidence throughout the year that we continue to be seen as leading experts on person centred care and patient experience. We have frequently been consulted, and invited to speak on this subject by stakeholders from around the world and from a range of different sectors. This has included:

- Mental health – we are working with NHS Wales to support a ministerial review into the impact of mental illness on urgent care access and transport. This will take into account the perceptions and experiences of both the public and staff working in urgent care.
- We have a strategic licencing agreement across the Netherlands for the teaching hospitals covering a number of the Picker tools. There are plans to extend this into general hospitals in 2021.

- We continue to support Health Information and Quality Authority in Ireland with the roll out of their National Care Experience Programme. This included a review of Covid-19 survey content for the National Inpatient Experience Survey 2021 and advising on models of implementation for a new National Nursing Home Experience Survey.
- Speaking about improving care through the use of patient and service user feedback as part of Help & Care's Research Skills Week.
- We have published four original papers in peer-reviewed journals. One of these papers was an output from the Policy Research Unit in Quality, Safety and Outcomes of Health and Social Care exploring how patient experience scores from General Practice Patient Survey can be used to predict quality inspection ratings.
- Continuing to provide teaching, training, and development, including as part of the Point of Care Foundation's 'Foundations in Patient Experience' course and Imperial College London's Health Policy MSc.

Our organisation: Introduce and embed digital infrastructure and skills to improve our effectiveness and increase our beneficiary and stakeholder value.

- We secured the renewal of key contracts to work as an approved survey contractor as part of Care Quality Commission's (CQC) national patient survey programme. These contracts will enable our teams to work with a wide range of care organisations over the coming years, promoting best practice in measurement and use of patient feedback for improvement.
- We continue to offer staff training on our agreed set of leadership values and behaviours – our "Picker DNA". This promotes positive staff experiences and effective team working.
- We have moved all Picker staff on to Microsoft Dynamics 365 making it easier for them to track work with clients, respond efficiently, work remotely, and be more productive.
- We have introduced a sophisticated new online research platform to provide better and more interactive reporting to clients, whilst freeing up staff time to perform value added services.

Our impact: Develop our portfolio, increasing the impact and value of insight and improvement work centred around the Picker Principles.

We demonstrate our impact through projects reviews and case studies, which are carried out on all completed projects. Examples include:

- We continue to run the Survey Coordination Centre for the NHS Staff Survey, on behalf of NHS England, sending out approximately 1.1 million surveys. Each year we run workshops for key stakeholders, drawing on the survey results to assist organisations with staff wellbeing and retention.
- We continue to manage the Survey Coordination Centre for Existing Methods for the CQC. The Coordination Centre oversees the development, implementation, and analysis and reporting of national surveys including:
 - Children and Young People's Patient Experience Survey
 - Urgent and Emergency Care Survey
 - Community Mental Health Survey
- We are an 'approved contractor' for the NHS Patient Survey Programme, making us uniquely placed to engage trusts in improving patient care.
- Case studies and more information is available in our Impact report available on our website www.picker.org

The charity's work in 2020/21 has been affected by the Covid-19 pandemic, which has placed unprecedented pressure on health and care systems, providers, and professionals. The virus control measures introduced by the UK government disrupted planned activity in the earlier part of the year, including cancellation of:

- The National Maternity Survey – We had more than fifty NHS trusts signed up at the point of cancellation. We instead ran our own survey with NHS organisations from across England later in 2021, providing valuable insight into the experiences of new mothers in the absence of a national collection.
- Staff Friends and Family Test – This programme was put on hold in England during the peak of the Covid-19 pandemic. Picker work with a large number of NHS organisations to collect this data, and so this decision has had a direct impact on our work in this area.

Financial review

The wholly-owned subsidiary was dormant until it deregistered during the year and so the group and charity financial results are the same. The charity was affected by the Coronavirus (Covid-19) pandemic with the cancellation of one national NHS survey and a number of other projects. Several projects also temporarily went on hold. Total income for the charity and group was £3,303,000 which is a decrease on the prior year of 9.9%. The principal sources of income (over £100,000) during the year were NHS England and NHS Improvement, the Care Quality Commission, and The Mid Yorkshire Hospitals NHS Trust.

Expenditure for the group has decreased by 18.6% year-on-year to £3,164,000. This has resulted in a group surplus for the year of £139,000 and increased the unrestricted funds to £1,635,000. This builds up our reserves towards the levels set out in the Reserves policy, which will in turn assist delivery of our strategy and to allow us to have a bigger impact in delivering our purpose whilst ensuring sustainability.

The planned simplification of the international registered companies group structure continued during the year. The deregistration process of the Swiss registered wholly-owned subsidiary, Picker Institut AG, finally completed on 28th September 2020. The company had a zero balance sheet at the 31st March 2020. Due to the completion of the deregistration there was no longer a group from 29th September 2020 and it was just the charitable company until the year end. However, towards the end of the year the board of trustees agreed the planned incorporation of a limited company, a wholly owned subsidiary, registered in England for the acquisition of the client portfolio of Howard Warwick Associates, a market research firm with contracts related to user experience and outcomes in private hospitals and social care. Picker HWA Ltd was incorporated on 24th May 2021 and Picker will therefore operate in a group structure for most of 2021/22.

The charity and group unrestricted general funds, after fixed assets, carried forward at the year-end are £1,546,000 (2020: £1,382,000). The current level of reserves is equivalent to 5.2 months of projected annual income for the next financial year. This is below the target level for the unrestricted general fund (after excluding any amount in respect of the investment in fixed assets), which is between six and nine months of the higher of projected group total income or expenditure, adjusted for amounts covered by restricted funds, for the next financial year. It is planned to reduce the gap and improve the level of the unrestricted general fund over the next three year strategic plan cycle.

Going concern policy

The trustees have reviewed the status of the charity's funding arrangements and future plans. The impact of the Covid-19 – particularly in the first half of the financial year – has included cancellations and/or delays to some of the projects undertaken by the charity. The trustees have taken mitigating actions that have included obtaining grant income via the Coronavirus Job Retention Scheme and delaying VAT payments to HM Revenue & Customs in line with Government arrangements. The charity has also been through an organisational restructure to better

align the organisation's resources to its client needs which included a staffing reduction, and we have also reduced expenditure wherever possible. The charity has a strong balance sheet and cash position at the year end with the cash at bank and in hand exceeding the total charity funds. In addition, detailed financial projections have been produced to enable the trustees to evaluate a period of at least the next twelve months from the date of signature of these financial statements and, as a result, the board are satisfied that it remains appropriate to continue to prepare the financial statements on a going concern basis.

Remuneration policy

The objectives of our remuneration policy are to:

- reward staff appropriately and enable the recruitment of high calibre staff;
- ensure the proper use of the charity's resources in accordance with its aims and within affordable limits based on the financial circumstances of the charity;
- be non-discriminatory, just and equitable in the evaluation of jobs and their remuneration by providing a stable framework for the remuneration of the team;
- operate within the law; and
- pay at a competitive level taking account of external market rates, with the aim being to set pay at comparable rates to posts in the voluntary sector, subject to the charity's financial position.

Remuneration policy is reviewed on an annual basis by the Appointments and Remuneration Committee and agreed by the Board of Trustees. When setting pay levels, the charity gives consideration to external benchmark comparators, changes in the national average earnings index, equalities, affordability and other internal and external pressures including recruitment and retention.

The above policy applies to all staff, including the charity's Executive Team. Remuneration of the Executive Team is set by the Board of Trustees.

Principal risks and uncertainties

The trustees have considered the principal risks and uncertainties for the group. The financial and operational effects of the Covid-19 pandemic and the control measures relating to this affected the principal risks and uncertainties facing the charity during the reporting period and beyond the year end. As normal practice, we have completed an annual review of the group's winding up costs against its reserves.



A strategic risk register is maintained and presented at every ordinary Finance, Audit and Risk Committee and Board meeting. The top strategic risks assessed with the actions taken to address them are:

- Business and health disruption due to the Coronavirus pandemic (Covid-19) and the related economic situation. This would include the risk to income from delays/cancellations and the impact from the 3rd wave of the virus, having a bigger effect than the initial waves.
The key mitigating actions taken to address this risk involved us making use of the UK Government's Coronavirus schemes such as the Job Retention Scheme and VAT liability payment deferral. After temporarily closing the office because of the crisis and asking staff to work from home in line with government guidance we have opened the office for voluntary attendance to help with health and wellbeing issues and activities that cannot be done remotely.
- Changes in the health care system, unforeseen changes to national programmes that adversely affect revenue streams; financial situation in the NHS stalls; no business growth; and/or reduction in client funding which could be interrelated to Covid-19.
Key mitigating actions taken include participating in regular discussions with commissioners to understand their position and providing support and recommendations on how to proceed. Proactively horizon scanning for potential future budget

constraints and the move away from or change in the approach to patient experience. More broadly, we have sought to maintain our network with key policy makers and NHS officials and retain and develop policy influence relating to national programmes, ensuring prior engagement ahead of any changes. We are actively diversifying the revenue mix to improve business resilience and achieve our desired future portfolio.

- Staff welfare, wellbeing and safety along with the potential for loss of senior or key staff.
Key mitigating actions taken include establishing health and wellbeing working groups following on from the Autumn 2020 staff survey; a coaching scheme for Leadership Team members; detailed leaver handover with key focus areas; and utilisation of the Shared Knowledge library resource. We are also due to roll out an updated personal development review (PDR) process for 2021/22, as well as a 360-degree feedback programme for staff.

The strategy for managing the key risks is by the board instructing the key management personnel to put in place effective control procedures, plans, awareness raising, and training, and reviewing the systems in place to manage the operations of the group. Regular reviews of the monitoring process are in place with individual accountability and responsibility for each risk and any further actions required.

Plans for future periods

In addition to the detailed operational actions mentioned above, as in 2020/21, we will pursue three strategic priorities – developing our purpose, our organisation, and our impact. These priorities will be supported by initiatives in three key areas:

whole pathway care, thought leadership, and digital innovation. Progress will be enabled by planned development work around our people; equality, diversity, and inclusion; IT; and marketing and communication.

Strategic Priorities

Our purpose

Promote the importance and value of person centred care, using evidence to spread our message and build Picker's reputation as a thought leader and innovator so that we can influence, inspire, and empower better care.

Our organisation

Embed a modern, responsive operation model that improves our efficiency, increases our beneficiary and stakeholder value, and supports our people to fulfil their potential in an inclusive, person centre organisation.

Our impact

Produce high quality, actionable insights and offer expert improvement services that support the adoption of person centre policies and practices underpinned by the Picker Principles.

Initiatives

Whole pathway care

Extending our portfolio to create positive impact in a range of sectors that reflect full pathways of health and social care support.

Thought leadership

Building on our existing reputation and expertise to advance the state of the art in person centred care and in staff and user experience.

Digital innovation

Developing and offering enhanced, digitally enabled services to help stakeholders make sense of people's experiences.

Enablers

People

Developing and supporting an effective, engaged workforce with a positive, values-based culture.

Equality, diversity, and inclusion (EDI)

Ensuring that Picker is inclusive and that our work promotes more equitable, person policy and practice.

IT

Equipping our colleagues and customers with cutting-edge technology to support effective delivery.

Marketing and communication

Presenting our work in clear, compelling ways that support the Charity's business and strategic objectives.

Reserves policy

Forming part of reserves, the unrestricted general fund is the working fund of the charity and group. There are no restricted or designated funds for use for a particular or defined purpose. The unrestricted general fund has to provide for the net deficit of any activities that have inadequate income of their own and for the general overheads of the charity. It also provides working capital for operations and helps to provide resources to ensure

that the charity is able to continue with its obligations in the event of a shortfall in income or unexpected upturn in expenditure.

The Board of Trustees has determined that the purpose of the unrestricted general fund is to ensure uninterrupted services and delivery of the charity's objectives regardless of short to medium term fluctuations in patterns of income and expenditure or unforeseen financial burdens.

The target level for the unrestricted general fund (after excluding any amount in respect of the investment in fixed assets) is between six and nine months of the higher of projected total income or expenditure, adjusted for amounts covered by restricted funds, for the next financial year. The projected total income or expenditure for the next financial year is expected to reflect economic growth by increasing from the current year's figures. The charity and group unrestricted general funds, after fixed assets, carried forward at the year end of £1,546,000 (2020: £1,382,000), is 5.2 months of projected annual expenditure.

This policy is approved by the Board of Trustees and will be reviewed annually as part of the charity's budgetary processes.

Treasury policy

The Board of Trustees review and approve the Treasury policy annually. The purpose of the policy statement is to provide a written framework for management of the charity's cash and near-cash assets (Treasury funds). The charity has a low risk appetite with regard to investments and treasury funds. Its primary objective is capital preservation, albeit with a reasonable income requirement. This determines the type of investments it chooses, the institutions they are made with and the total level of funds placed with any single institution.

Trustees' responsibilities statement

The trustees (who are also directors of Picker Institute Europe for the purposes of company law) are responsible for preparing a Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Company law requires charity trustees to prepare financial statements for each year that 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 the 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the groups' auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Report of the Board of Trustees including the Strategic report has been approved by order of the Board of Trustees and signed on their behalf by:

Aileen Clarke

Chair: Professor Aileen Clarke
Date: 7th September 2021

Independent auditor's report to the members and trustees of Picker Institute Europe

Opinion

We have audited the financial statements of Picker Institute Europe ('the company') for the year ended 31st March 2021 which comprise the Consolidated and Parent Charitable Company Statements of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of

accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out earlier in the Report of the Board Trustees, the trustees (who are also the directors of the charitable company 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Mahmood Ramji cfp

Mahmood Ramji – Senior Statutory Auditor
For and on behalf of Moore Kingston Smith LLP,
Statutory Auditor
The Shipping Building, The Old Vinyl Factory,
London UB3 1HA

Date: 14th September 2021

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.



Consolidated Statement of Financial Activities

(including consolidated income and expenditure account)

For the year ended 31st March 2021

	Notes	Unrestricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Income from:				
Donations				
In kind support		23	23	11
Grants		100	100	-
Charitable activities				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,179	3,179	3,650
Interest on deposits	2	1	1	4
Total income		3,303	3,303	3,665
Expenditure from:				
Charitable activities				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,164	3,164	3,787
Development expenditure		-	-	112
Total charitable activities	3	3,164	3,164	3,899
Other expenditure	10	-	-	(14)
Total expenditure	4	3,164	3,164	3,885
Surplus/(Deficit)		139	139	(220)
Net movement in funds		139	139	(220)
Reconciliation of funds:				
Total funds brought forward		1,496	1,496	1,716
Total funds carried forward		1,635	1,635	1,496

The notes on pages 20 to 31 form part of these financial statements.
The statement of financial activities includes all gains and losses recognised in the year.
All activities are continuing.

Charitable Company Statement of Financial Activities

(including income and expenditure account)

For the year ended 31st March 2021

	Notes	Unrestricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Income from:				
Donations				
In kind support		23	23	11
Grants		100	100	-
Charitable activities				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,179	3,179	3,650
Interest on deposits	2	1	1	4
Total income		3,303	3,303	3,665
Expenditure from:				
Charitable activities				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,164	3,164	3,787
Development expenditure		-	-	112
Other expenditure	10	-	-	(14)
Total expenditure	4	3,164	3,164	3,885
Surplus/(Deficit)		139	139	(220)
Net movement in funds		139	139	(220)
Reconciliation of funds:				
Total funds brought forward		1,496	1,496	1,716
Total funds carried forward		1,635	1,635	1,496

The notes on pages 20 to 31 form part of these financial statements.
The statement of financial activities includes all gains and losses recognised in the year.
All activities are continuing.

Consolidated and Charity Balance Sheets

For the year ended 31st March 2021
Company number: 3908160

	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets:					
Intangible assets	8	63	69	63	69
Tangible assets	9	27	45	27	45
Total fixed assets		90	114	90	114
Current assets:					
Stock		1	1	1	1
Debtors	11	1,307	1,029	1,307	1,029
Cash at bank and in hand		1,734	990	1,734	990
Total current assets		3,042	2,020	3,042	2,020
Liabilities:					
Creditors: amounts falling due within one year	12	1,496	638	1,496	638
Net current assets		1,546	1,382	1,546	1,382
Total assets less current liabilities		1,636	1,496	1,636	1,496
Creditors: amounts falling due after more than one year	13	1	-	1	-
Total net assets		1,635	1,496	1,635	1,496
The funds of the charity:					
Unrestricted funds	16	1,635	1,496	1,635	1,496
Total charity funds		1,635	1,496	1,635	1,496

The notes on pages 20 to 31 form part of these financial statements.

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved and authorised for issue, by the trustees on 7th September 2021 and signed on their behalf by Professor Aileen Clarke, Chair.

Aileen Clarke

Chair: Professor Aileen Clarke

Consolidated and Charity Statement of Cash Flows

For the year ended 31st March 2021

	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Cash flows from operating activities:					
Net cash used in operating activities	18	756	187	756	187
Cash flows from investing activities:					
Interest on deposits		1	4	1	4
Purchase of intangible assets		(9)	(67)	(9)	(67)
Purchase of tangible fixed assets		(5)	(27)	(5)	(27)
Receipts from disposals of tangible fixed assets		1	-	1	-
Net cash used in investing activities		(12)	(90)	(12)	(90)
Change in cash and cash equivalents in the year		744	97	744	97
Cash and cash equivalents at the beginning of the year		990	893	990	893
Cash and cash equivalents at the end of the year	19	1,734	990	1,734	990

The notes on pages 20 to 31 form part of these financial statements.

Notes to the Financial Statements

1 Principal accounting policies

a – Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the financial statements. The financial statements have been prepared in accordance with the Charities SORP (FRS 102), "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 1st January 2016) and comply with the Charities Act 2011 and Companies Act 2006.

The charity constitutes a public benefit entity as defined by the Charities SORP (FRS 102).

The financial statements have been prepared on a going concern basis. The ongoing impact of Coronavirus on the charity has been noted in detail in the financial review section of the Trustees' report. The charity has a strong balance sheet and cash position at the year end with the cash at bank and in hand exceeding the total charity funds. There was a positive operations performance for the current year which exceeded expectations. Detailed financial forecasts have been produced reflecting the expected impact on the business plan and budget for 2021/22. The trustees consider that, while there are uncertainties due to the ongoing impact of Coronavirus, there are no material uncertainties about the group's ability to continue as a going concern. This is on the basis of the expectation of the charitable company having sufficient cashflow, income and levels of reserves to continue for at least 12 months from the date of authorising these financial statements. There are no significant areas of judgement or key assumptions that will materially affect the position.

b – Group accounts

These accounts consolidate the results of the charitable company and its dormant subsidiary, Picker Institut AG in liquidation, registered in the Canton of Zug, Switzerland. Picker Institut AG in liquidation was deregistered on 28th September 2020.

c – 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.

d – Basis of consolidation

The consolidated financial statements incorporate the financial statements of the charitable company and all group undertakings. Income and expenditure in foreign currencies is converted at the average exchange rate for the period. Acquisitions are accounted for under the acquisition method. The results of companies acquired or disposed of are included in the Statement of Financial Activities after or up to the date that control passes respectively. Both a group Consolidated and Charitable Company Statement of Financial Activities is published and some notes for the parent charitable company are omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

e – Legal status

The charity is a company limited by guarantee and has no share capital. The members of the company are the trustees. Each member undertakes to contribute such amount as may be required (not exceeding £1.00) to the charity's assets in the event of it being wound up.

f – Fund accounting

The charity holds the following funds:

Unrestricted 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.

g – Income

Incoming resources are recognised to the extent that the charity has provided the services and/or goods. For contracts in place at the year end the value of the contract that has been completed at the year end is compared to the invoices raised and adjustments made to include accrued income or deferred income as appropriate.

h – Donated services

In kind support is recognised as income when the following criteria are met:

- Entitlement – Control over the expected economic benefits that flow from the donation has passed to the charity and any performance related conditions attached to the donation have been fully met.
- Probable – It is more likely than not that the economic benefits associated with the donated item will flow to the charity.
- Measurement – The fair value or value to the charity of the donated item can be measured reliably.

Donation grant is the Coronavirus Job Retention Scheme grant which is intended to cover payroll costs incurred and the government grant is recognised in Statement of Financial Activities in the same period in which the related expense is incurred.

i – Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs according to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs are those incurred in connection with the management of Picker Institute Europe's assets, organisational administration and compliance with constitutional and statutory requirements.

The charity is registered for VAT and any irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j – Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computers – 3 years (33%) straight line

Office equipment

– 3 years (33%) straight line or length of lease

Individual assets with a cost in excess of £500 are capitalised as tangible fixed assets.

k – Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer applications (cost of purchase)

– 5 years (20%) straight line

Registered Trade Marks

– 10 years (10%) straight line

Individual assets with a cost in excess of £500 are capitalised as intangible fixed assets.

l – Investments

Investments in group undertakings are recorded at cost less impairment.

m – Stocks

Stocks are stated at the lower of cost and the net realisable value, using the first-in first-out basis. Where necessary, provision is made for obsolete, slow moving and defective stock.

n – Leasing

Rentals payable under operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. Assets obtained under finance leases are capitalised as tangible fixed assets, depreciated and the liability is recognised at the point of purchase.

o – Pensions

The pension costs charged in the financial statements represent the contributions payable by the charity during the year to defined contribution schemes.

p – Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. The resulting gains or losses are recognised within the Statement of Financial Activities.

q – Judgements and key sources of estimation uncertainty

There is a degree of judgement exercised at each period end in respect of client project contracts that extend beyond the year end, where recognition of income and related external expenditure is based on key milestones. The amortisation period for computer software is a key judgement for the economic useful life of the write off of Intangible fixed assets. There were no other significant judgements made in the process of applying the above accounting policies that have had a major effect on amounts recognised in the financial statements.

2 Interest on deposits

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Bank interest received	1	4	1	4

3 Resources expended

a – Analysis of Consolidated total resources expended

	Staff costs £'000	Support costs £'000	Other Direct costs £'000	Governance costs £'000	Total £'000
Charitable activities: Research and insight on person centred care and the measurement and improvement of staff and user experiences of care					
Total charitable activities – 2021	1,762	527	863	12	3,164
Total charitable activities – 2020	2,196	684	1,001	18	3,899

b – Analysis of Consolidated support costs

	Total 2021 £'000	Total 2020 £'000
Support costs:		
Travel	22	32
Premises	116	144
Exhibitions and conferences	13	40
Communications and IT	67	86
Financial, legal and consultancy	22	54
Postage and printing	14	37
Other administration	245	256
Depreciation and amortisation	39	35
Total support costs	538	684

4 Total expenditure

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
This is stated after charging:				
Amortisation	15	7	15	7
Depreciation	22	28	22	28
Auditors' remuneration - Audit fee	11	11	11	11
Auditors' remuneration - Consultancy services	1	-	1	-

5 Trustees' expenses

The Trustees' of the charity and group neither received nor waived any emoluments (remuneration or pension arrangements) in the year or prior year. Out of pocket expenses were reimbursed to trustees as follows:

	2021 Number	2021 £'000	2020 Number	2020 £'000
Travel and accommodation	-	-	4	1

6 Consolidated staff costs

	2021 £'000	2020 £'000
Employees:		
Wages and salaries	1,405	1,738
Settlements to leaving employees	65	5
Social security costs	150	182
Pension costs	57	67
Subtotal	1,677	1,992
Freelance contractors	31	74
Training	18	71
Recruitment	36	59
Total	1,762	2,196

The average monthly number of employees was 40 (2020: 50), when calculated on an average headcount basis. When calculated on a full time equivalent basis (FTE), including casual and part-time staff, the average monthly number of employees was:

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2021 £'000	2020 £'000
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The total amount of compensation of key management, as defined in the Report of the Trustees, for the group was:

The charitable company operates a defined contribution pension scheme with Standard Life. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the scheme and amounted to £57,000 (2020: £67,000). Of this £15,000 (2020: £18,000) related to employees whose emoluments were over £60,000 as shown in the consolidated staff costs note 6.

Cost:

Amortisation:

Net book value:

At 31 st March 2021	57	6	63
At 31 st March 2020	62	7	69

9 Consolidated and Charity Tangible fixed assets

	Computers £'000	Office Equipment £'000	Total £'000
Cost:			
At 1 st April 2020	119	106	225
Additions	1	4	5
Disposals	(3)	(40)	(43)
At 31st March 2021	117	70	187
Depreciation:			
At 1 st April 2020	101	79	180
Charge for the year	13	9	22
On disposals	(2)	(40)	(42)
At 31st March 2021	112	48	160
Net book value:			
At 31st March 2021	5	22	27
At 31st March 2020	18	27	45

Included in office equipment are assets held under finance leases with a net book value of £3,000 (2020: £3,000). The depreciation charge on these assets was £1,000 (2020: £8,000).

10 Investments

The planned removal of the international group structure completed during the year when Picker Institut AG in liquidation was deregistered as a legal entity on 20th September 2020 in the Canton of Zug, Switzerland. The charity owned 100% of the share capital. The entity was dormant and had no income or expenditure during the year. In the prior year there was a net reduction in the closure provision for the group deregistration's of £14,000.

11 Debtors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trade debtors	1,142	877	1,142	877
Other debtors	-	3	-	3
Accrued income	60	26	60	26
Prepayments	105	123	105	123
Total	1,307	1,029	1,307	1,029

12 Creditors: amounts falling due within one year

Obligations under finance leases	1	2	1	2
Trade creditors	253	52	253	52
Taxation and social security	349	171	349	171
Accruals	185	78	185	78
Deferred income	708	335	708	335
Total	1,496	638	1,496	638

Deferred income comprises project related revenue for the performance of activities that were not completed before the year end and continued in the following financial year.

At 1 st April 2020	335	354	335	354
Released to income	(335)	(354)	(335)	(354)
Deferred in the year	708	335	708	335
At 31st March 2021	708	335	708	335

13 Creditors: amounts falling due after more than one year

Obligations under finance leases	1	-	1	-
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14 Financial commitments

At the year end the charity had the following future minimum lease payments under non-cancellable operating leases in respect of plant and land and buildings which fall due as follows:

	2021 £'000	2020 £'000
Expiry date:		
Within one year	97	90
Between two and five years	2	12
Total	99	102

15 Related party transactions

The charity had no related party transactions in the year or prior year.

16 Reserves

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
The movement on unrestricted funds is as follows:				
At 1 st April 2020	1,496	1,716	1,496	1,716
Income	3,303	3,665	3,303	3,665
Expenditure	(3,164)	(3,885)	(3,164)	(3,885)
At 31st March 2021	1,635	1,496	1,635	1,496

	2021 £'000	2020 £'000
Consolidated unrestricted funds	1,635	1,496
Fixed asset reserves	(89)	(114)
Unrestricted general Funds	1,546	1,382
Represents in months the projected group total income, adjusted for amounts covered by restricted funds, for the next financial year	5.2	5.5

17 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

18 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	139	(220)	139	(220)
Adjustments for:				
Depreciation charges	22	28	22	28
Amortisation charges	15	7	15	7
Interest on deposits	(1)	(4)	(1)	(4)
Loss/(profit) on sale of fixed assets	1	-	1	-
Decrease/(increase) in stock	-	1	-	1
(Increase)/decrease in debtors	(278)	738	(278)	738
Increase/(decrease) in creditors	858	(363)	858	(363)
Net cash used in operating activities	756	187	756	187

19 Analysis of cash and cash equivalents

Cash in hand	133	63	133	63
Notice deposits (less than 3 months)	1,601	927	1,601	927
Total cash and cash equivalents	1,734	990	1,734	990



20 Capital commitments

The IT estate was approaching the end of its useful life and so a proposal was requested from our IT partner before the year end to assess three potential options. From these three options the Executive Team decided to make a commitment to replace the IT estate by purchasing three new servers and to host them remotely at a data centre rather than on premise. The capital cost of the commitment at the year end was £36,000 including implementation. There was no commitment for the prior year.

21 Post balance sheet event

As mentioned in the Financial review, towards the end of the year the Board of Trustees agreed the planned incorporation of a limited company, a wholly owned subsidiary, registered in England for the acquisition of the client portfolio of Howard Warwick Associates, a market research firm with contracts related to user experience and outcomes in private hospitals and social care. Picker HWA Ltd was incorporated on 24th May 2021 and Picker will therefore operate in a group structure for most of 2021/22.

We expect this purchase to strengthen the group position and contribute to implementation of our overarching strategy. The subsidiary will also mitigate risks identified by the charity by diversifying the group's portfolio, contributing to reserves and charitable activities while continuing an existing profitable business.