



# **Report of the Board and Consolidated Financial Statements**

**For the year ended 31<sup>st</sup> March 2022**

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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:	Suite 6, Fountain House, 1200 Parkway Court, John Smith Drive, Oxford OX4 2JY

**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 – to 30 <sup>th</sup> September 2022
Dr Angela Coulter	Chair – from 1 <sup>st</sup> October 2022
Sally Sykes	Honorary Treasurer
Paul Blunden	Deputy Chair – to 30 <sup>th</sup> July 2021
Professor Gary Ford CBE	
Diane French	Deputy Chair – to 11 <sup>th</sup> November 2022
Amran Hussain	From 24 <sup>th</sup> November 2021 to 30 <sup>th</sup> September 2022
Professor Tim Irish	From 24 <sup>th</sup> November 2021
Julia Levy	From 24 <sup>th</sup> November 2021
Ronny Odegbami	To 22 <sup>nd</sup> June 2022
Professor Wendy Reid	
Dr Magdalena Skrybant	From 30 <sup>th</sup> September 2021

**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
Phillip Stylianides	Managing Director, Picker HWA Ltd

## 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 21<sup>st</sup> 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. The Committee shortlist prospective Trustees with advice from the Chief Executive Officer, and members form a panel to interview candidates. 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 led by the Chief Executive Officer.

On appointment each Trustee is given an induction pack that includes the Articles of Association, matters reserved for the Board, Charity Commission booklet "The Essential Trustee", strategic plan, organisational chart, copies of the latest Report of the Board and Financial Statements, impact report, and current business plan. 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  
Tim Irish – Trustee  
Amran Hussain – 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)  
Professor Aileen Clarke – Chair  
Diane French – Trustee  
Professor Gary Ford – Trustee  
Julia Levy – Trustee  
Dr Magdalena Skrybant – 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 group consolidated financial statements of the charitable company and its subsidiary for the year ended 31<sup>st</sup> March 2022, 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 purpose

Picker was established to promote the idea and benefits of person centred care.

### 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.

### Our vision

"The highest quality person centred care for all, always."

### Our mission

we are here to

**Influence**  
**Inspire**  
**Empower**



## 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.
- Working with providers, commissioners, and professionals to support them to understand and act on the things that matter most to their patients, populations, and staff, including through local and national workshops and events.

## 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 people's 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.

## Environmental, Social and Governance

We are actively using Environmental, Social and Governance (ESG) factors to assess how far advanced we are with our behaviours and systems around sustainability. They are integrated into our processes, policies, and statements such as our Environmental and Sustainability Policy, Carbon Reduction Plan, Equality, Diversity, and Inclusion Policy, and our approach to continual improvement especially through our international standard accreditations. Our mission reflects our public (societal) benefit as reported in our Impact Report. Governance and behaviours are described in the Annual Report as referenced earlier in the report though the Matters Reserved for the Board, the committee structure with terms of reference, and our core values. We recognise that ESG is developing and evolving and so is our thinking and approach.

## 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.

In the financial year ending 31<sup>st</sup> March 2022, we continued to advance our vision of person centred care for all, always, by delivering a range of programmes and activities to support the measurement, understanding, and improvement of people's experiences of health and care. We made strong progress against our strategic priorities, and excellent financial performance has improved our reserves. As always, we have focussed on delivering projects and services that create impact for our beneficiaries: patients, service users, the public, and health and care staff. Notable examples in 2021/22 include:

- Developing and conducting the first national survey of children and young people with cancer. Working on behalf of NHS England and NHS Improvement, we designed and implemented the Under 16 Cancer Patient Experience Survey and published results in October 2021. The groundbreaking survey was developed following significant user and stakeholder engagement to ensure that it gathered information sensitively and addressed the subjects most important to young people and their families.
- Completing reporting on a global study investigating the needs of kidney cancer patients. The study, undertaken on behalf of the International Kidney Cancer Coalition (IKCC), involved gathering feedback from people across 40 countries and in 13 languages, and explored experiences of diagnosis, treatment planning, and overall care.
- Continuing our work on the NHS Staff Survey, which we have coordinated on behalf of NHS England and NHS Improvement since 2011. This year saw the survey reach a significant milestone, collecting more than 648,000 responses to become the largest workforce survey in the world and publishing a suite of reports to support local and national use of the findings. As well as coordinating the survey nationally, Picker worked with more than 140 NHS organisations to collect and act on staff feedback, gathering more than half of all responses to the survey.

The sections below describe key examples of work completed against our strategic priorities.

### Whole pathway care

Patients, service users, and the public frequently access care from a range of providers spanning the health and social care and public and private sectors.

Person centredness should be evident in all of these interactions, as well as in the management of transitions between services. To support this, Picker should be present and promoting its vision in a range of sectors.

We have made good progress on this priority this year, particularly thanks to a series of successful projects involving private and social care providers and with integrated care systems.

The launch of Picker HWA Ltd has been a hugely important part of this; whilst the subsidiary is still in its first year, it has already enabled us to increase the work that we do with private sector providers and in the social care sector. This includes the continuation of relationships and programmes previously managed by Howard Warwick Associates, as well as new contracts established with Picker HWA.

We have also completed a significant amount of work with integrated care systems, using effective partnership working and a strong relationship with national bodies to build our profile amongst this new group of organisations. We have:

- Completed a programme with The King's Fund on understanding integrated care from the perspective of patients and the public. The project led to a highly impactful publication via The King's Fund website: this has been widely shared and accessed, and we have seen it referenced and used by national bodies and integrated care systems alike.
- Led a project to pilot a new national integration index, working on behalf of NHS England and NHS Improvement to develop and test a methodology for measuring people's experiences across a range of providers within systems.
- Been working on a longer term project as part of our Quality, Safety, and Outcomes of Health and Social Care Policy Research Unit (QSOPRU) to investigate ICS approaches to quality. This work is ongoing, and is producing good evidence and insight into how the new systems are approaching the question of quality.
- Been commissioned by NHS England and NHS Improvement to develop and pilot a survey of staff experience in primary care. Data collection was underway at the end of the financial year. If successful, the project has the potential to have significant impact by contributing to the creation of the first national programme to measure the experiences of people working in primary care – a group that has historically not been included in national surveys of NHS staff.

## Thought leadership

We aspire to be the pre-eminent authority on person centred care. Our strategic programme has included a set of thought leadership activities designed to promote awareness and understanding of the concept of person centredness and to advance the start of the art in the field. Positive examples here include:

- The redevelopment and relaunch of our website. We have made substantial changes to both the appearance, contents, and back-end functionality of the site. This has made the site easier to navigate; more informative for visitors; and more readily manageable for Picker.
- Completing a number of content-related activities. This has included a range of work around integrated care systems – hosting and/or presenting numerous webinars and conferences, including with our partners – and successfully holding and publishing a roundtable event on social care workforce experience.
- Positive progress around our communications and thought leadership work. We have been more effective in placing stories in the national press with PR support – especially around the 2021 NHS Staff Survey. This gives us a solid foundation from which to build 2022/23.
- 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 continued to be conducted remotely in 2021/22. Our programme of events in 2021/22 has included:
  - four national workshops; and
  - 141 workshops and presentations.

## Digital innovation

Effective use of digital technology is crucial to modern working and has the potential to support improvements in the quality of health and care services. Accordingly, continuing to expand and improve our use of digital technology has been an important area of focus. This year, this has included:

- Creation and publication of a number of outputs that demonstrate our ability to use innovative digital methods as part of patient and staff experience research. This included

publication of an artificial intelligence (AI) driven analysis of staff feedback from the 2020 NHS staff survey; sentiment analysis of patient feedback from the 2020 cancer patient experience survey; and a study using social media data to explore people's views on remote care during the pandemic.

- A significant programme of work to develop and upgrade our IT estate. This includes replacing our existing servers with a modern, cloud-hosted solution to offer greater resilience and future proofing; upgrading IT stock to support effective working; and developing software solutions to drive efficiency and help manage quality in national surveys.

## Financial review

This is the group financial review of the charitable company for the full year and the newly incorporated wholly owned subsidiary Picker HWA Ltd that commenced trading on 1<sup>st</sup> July 2021. Both organisations continued to be affected by the Coronavirus (Covid-19) pandemic with a number of projects that had slower progress than would have normally been the case. Total income for the group was £4.057 million which is an increase on the prior year of 22.8%. The Charity had total income of £3.778 million which was a 14.4% year on year increase. 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 increased by 13.2% year-on-year to £3.581 million (£3.336 million for the charity). This has resulted in a group surplus for the year of £476,000 (£442,000 for the charity) and increased the unrestricted funds to £2.111 million (£2.077 million for the charity). This builds up our reserves towards the levels set out in the updated 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 incorporation of Picker HWA Ltd was completed on 24<sup>th</sup> May 2021 with trading commencing on 1<sup>st</sup> July 2021 with the acquisition of the assets of Howard Warwick Associates Ltd, a market research firm with client contracts related to user experience and outcomes in private hospitals and social care.

## Reserves policy

Forming part of reserves, the unrestricted general fund is the working fund of the 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 group. It also provides working capital for operations and helps to provide resources to ensure that the group 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 group'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 projected group operational expenditure, for the next financial year. The projected group operational expenditure for the next financial year is expected to reflect economic growth by increasing from the current year's figures. The group unrestricted general funds, after fixed assets, carried forward at the year end of £1.885 million (2021: £1.546 million), is 9.0 months of projected annual expenditure, which meets the target level in the policy and so provides the opportunity to increase our impact through investment.

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

## Going concern policy

The Trustees have reviewed the status of the group's funding arrangements and future plans. The ongoing impact of Covid-19 has declined during the year and had less of an effect than in the prior year. The Trustees have taken mitigating actions that have provided a stronger and more stable surplus stream going forward through the operating model introduced in the prior year. The group has a strong balance sheet and cash position at the year end with the expectation of increasing cashflows over the coming twelve months. 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 and retention 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 group;
- 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 group'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 group gives consideration to external benchmark comparators, the cost of living, 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 group'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 group during the reporting period and beyond the year end. As a good governance exercise and as standard 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:

1. Increasing revenue diversity.

We currently manage the coordination of a number of significant and large national survey programmes, which account for a significant share of revenues. Increasing revenue diversity is desirable to improve resilience. We have set a strategic goal to diversify revenue and generate new income with a similar net contribution. The incorporation of Picker HWA Ltd and acquisition of Howard Warwick Associates’ portfolio supports this goal, as does early engagement with clients relating to future programme needs.

2. Managing and maintaining staff health, welfare, wellbeing and safety

Like many organisations, we are mindful of the wellbeing impact of the Covid-19 pandemic on our staff. Adoption of a new hybrid working policy has offered our staff greater flexibility about their working locations, but we remain conscious of the risks to work-life balance associated with home working. We are also acutely conscious of increasing inflation and the rising cost of living.

The key mitigating actions taken include regular one-to-one line management meetings and Leadership Team monitoring, monitoring use of annual leave entitlements, developing a wellbeing framework to monitor and improve staff wellbeing, and undertaking regular staff surveys that include measures of staff health and wellbeing.

3. Major IT system failure or cyber security attack.

The role of IT systems for collaborative working has become ever more important with increased use of remote working during the Covid-19 pandemic. Simultaneously, threats from cybercrime have continued to increase. The key mitigating actions taken include the new IT estate with new host servers, firewalls and backups that are hosted in a co-location data centre. We also provide regular staff training and use encryption and multi-factor authentication on key applications, especially those relating to online connectivity.

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, we will pursue four distinct but interlinked strategic goals that address our key challenges and that support achievement of our vision and charitable objectives. These goals are:

- 1. Advancing our vision
- 2. Broadening our horizons
- 3. Diversifying
- 4. Moving beyond measurement

Each goal is associated with a set of measures and outcomes, as well as milestones described in our strategic roadmap. The range of goals is intended to be manageable and realistic, whilst also pushing the organisation to improve and to make a positive difference for our beneficiaries.

To meet the milestones, we have identified a range of activities that we will pursue in 2022-25. Some address more than one of our goals, but all correspond to one of three themes. These themes correspond to the three key initiatives identified in our 2021 strategy:

- 1. Whole pathway care
- 2. Thought leadership
- 3. Digital innovation

Activities to be undertaken in each of these are detailed in the strategic roadmap. Completion of the activities and progress against the milestones will be recorded in the organisation’s balanced scorecard to ensure a proper focus on delivery of the strategy.

To make sure we are able to complete these, each of the initiatives are supplemented with supporting actions themed around a set of four enablers:

- 1. People
- 2. Equality, diversity, and inclusion
- 3. IT
- 4. Marketing and communications





## Treasury and Investment policy

The Board of Trustees review and approve the Treasury policy annually and have now rebranded it as the Treasury and Investment policy. The purpose of the policy statement is to provide a written framework for the investment risk appetite of the group, its investment portfolio, and the management of the group's cash and near-cash assets (Treasury funds). The group has a low-to-medium risk appetite, previously low, with regard to investments and treasury funds. Its primary objective is to manage cashflow to remain solvent while looking at a reasonable income or capital investment growth rather than just capital preservation. 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.

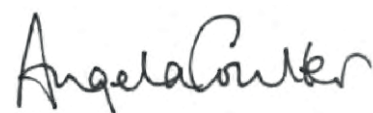
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## 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:



Chair: Dr Angela Coulter

Date: 23<sup>rd</sup> November 2022

# 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 31<sup>st</sup> March 2022 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 31<sup>st</sup> March 2022 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 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.

*Moore Kingston Smith LLP*

Luke Holt – 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:

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 31<sup>st</sup> March 2022

	Notes	Unrestricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
<b>Income from:</b>				
<b>Donations</b>				
In kind support		32	32	23
Grants		-	-	100
<b>Charitable activities</b>				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,746	3,746	3,179
Other trading activities		279	279	-
Interest on deposits	2	-	-	1
<b>Total income</b>		<b>4,057</b>	<b>4,057</b>	<b>3,303</b>
<b>Expenditure from:</b>				
<b>Charitable activities</b>				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,336	3,336	3,164
Other expenditure	10	245	245	-
<b>Total expenditure</b>	<b>4</b>	<b>3,581</b>	<b>3,581</b>	<b>3,164</b>
<b>Surplus</b>		<b>476</b>	<b>476</b>	<b>139</b>
<b>Net movement in funds</b>		<b>476</b>	<b>476</b>	<b>139</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,635	1,635	1,496
<b>Total funds carried forward</b>		<b>2,111</b>	<b>2,111</b>	<b>1,635</b>

The notes on pages 21 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 31<sup>st</sup> March 2022

	Notes	Unrestricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
<b>Income from:</b>				
Donations				
In kind support		32	32	23
Grants		-	-	100
Charitable activities				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,746	3,746	3,179
Interest on deposits	2	-	-	1
<b>Total income</b>		<b>3,778</b>	<b>3,778</b>	<b>3,303</b>
<b>Expenditure from:</b>				
Charitable activities				
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care		3,336	3,336	3,164
<b>Total expenditure</b>	4	<b>3,336</b>	<b>3,336</b>	<b>3,164</b>
<b>Surplus</b>		<b>442</b>	<b>442</b>	<b>139</b>
Net movement in funds		442	442	139
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,635	1,635	1,496
<b>Total funds carried forward</b>		<b>2,077</b>	<b>2,077</b>	<b>1,635</b>

The notes on pages 21 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

As at 31<sup>st</sup> March 2022

Company number: 3908160

	Notes	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Fixed assets:</b>					
Intangible assets	8	147	63	64	63
Tangible assets	9	79	27	79	27
<b>Total fixed assets</b>		<b>226</b>	<b>90</b>	<b>143</b>	<b>90</b>
<b>Current assets:</b>					
Stock		1	1	1	1
Debtors	11	1,379	1,307	1,266	1,307
Cash at bank and in hand		1,719	1,734	1,671	1,734
<b>Total current assets</b>		<b>3,099</b>	<b>3,042</b>	<b>2,939</b>	<b>3,042</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	12	1,158	1,496	1,005	1,496
<b>Net current assets</b>		<b>1,941</b>	<b>1,546</b>	<b>1,934</b>	<b>1,546</b>
Total assets less current liabilities		2,121	1,636	2,077	1,636
Creditors: amounts falling due after more than one year	13	56	1	-	1
<b>Total net assets</b>		<b>2,111</b>	<b>1,635</b>	<b>2,077</b>	<b>1,635</b>
<b>The funds of the charity:</b>					
Unrestricted funds	16	2,111	1,635	2,077	1,635
<b>Total charity funds</b>		<b>2,111</b>	<b>1,635</b>	<b>2,077</b>	<b>1,635</b>

The notes on pages 21 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.

The financial statements were approved and authorised for issue, by the Trustees on 23<sup>rd</sup> November 2022 and signed on their behalf by Dr Angela Coulter, Chair.

*Angela Coulter*





## Consolidated and Charity Statement of Cash Flows

For the year ended 31<sup>st</sup> March 2022

	Notes	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Cash flows from operating activities:</b>					
Net cash used in operating activities	18	1911	756	52	756
<b>Cash flows from investing activities:</b>					
Interest on deposits		-	1	-	1
Purchase of intangible assets		(112)	(9)	(19)	(9)
Purchase of tangible fixed assets		(94)	(5)	(94)	(5)
Receipts from disposals of tangible fixed assets		-	1	-	1
Purchase of investments		-	-	(1)	-
<b>Net cash used in investing activities</b>		<b>(206)</b>	<b>(12)</b>	<b>(114)</b>	<b>(12)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(15)</b>	<b>744</b>	<b>(62)</b>	<b>744</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,734</b>	<b>990</b>	<b>1,734</b>	<b>990</b>
<b>Cash and cash equivalents at the end of the year</b>	19	<b>1,719</b>	<b>1,734</b>	<b>1,672</b>	<b>1,734</b>

The notes on pages 21 to 31 form part of these financial statements.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March 2022

### 1. Principal Group 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 1<sup>st</sup> January 2016) and comply with the Charities Act 2011 and Companies Act 2006.

The Parent charity and group 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 group 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. 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 2022/23. 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 group 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 wholly owned subsidiary, Picker HWA Ltd which was incorporated on 24<sup>th</sup> May 2021 and commenced trading on 1<sup>st</sup> July 2021. The first period of accounts is from incorporation to 31<sup>st</sup> March 2022.

#### 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 group 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.

## 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. Picker HWA Ltd is separately registered for VAT.

## 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 more than £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, based on the duration of the acquisition agreement and the client contact list that forms goodwill, as follows:

Website	3 years (33 1/3%) straight line
Computer applications	5 years (20%) straight line
Registered Trade Marks	10 years (10%) straight line
Online research platform	3 years (33 1/3%) straight line
Intellectual property and brand assets	3 years (33 1/3%) straight line
Goodwill	10 years (10%) straight line
Individual assets with a cost more than £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 group 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 calculation for the consideration for the acquisition of the business for Howard Warwick Associates Ltd and the associated fair values of the assets acquired is based on the best estimate of the individual assets of value to the company and the expected purchase price based on the acquisition agreement. The balancing or residual number is the amount of goodwill of continuing a going concern business based on its client contacts

and delivery contracts in place. 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 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Bank interest received	-	1	-	1

## 3. Resources expended

### a) Analysis of Consolidated total resources expended

	Staff costs £'000	Support costs £'000	Other direct costs £'000	Governance costs £'000	Total 2022 £'000
Charitable activities					
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care	1,787	678	1,077	39	3,581
Total charitable activities	1,787	678	1,077	39	3,581

	Staff costs £'000	Support costs £'000	Other direct costs £'000	Governance costs £'000	Total 2021 £'000
Charitable activities					
Research and insight on person centred care and the measurement and improvement of staff and user experiences of care	1,762	527	863	12	3,164
Total charitable activities	1,762	527	863	12	3,164



## b) Analysis of Consolidated support costs

	Total 2022 £'000	Total 2021 £'000
<b>Support costs:</b>		
Travel	1	22
Premises	188	116
Exhibitions and conferences	9	13
Communications and IT	103	67
Financial, legal and consultancy	42	22
Postage and printing	46	14
Other administration	220	234
Depreciation and amortisation	69	39
<b>Total support costs</b>	<b>678</b>	<b>527</b>

## 4. Total expenditure

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>This is stated after charging:</b>				
Amortisation	27	15	17	15
Depreciation	29	22	29	22
Auditors' remuneration - Audit fee	14	11	13	11
Auditors' remuneration - Consultancy services	3	1	3	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 the following number of Trustees:

	2022 Number	2022 £'000	2021 Number	2021 £'000
Travel and accommodation	5	1	-	-

## 6. Consolidated staff costs

	2022 £'000	2021 £'000
<b>Employees:</b>		
Wages and salaries	1,490	1,405
Settlements to leaving employees	11	65
Social security costs	147	150
Pension costs	54	57
<b>Subtotal</b>	<b>1,702</b>	<b>1,677</b>
Freelance contractors	-	31
Training	24	18
Recruitment	61	369
<b>Total</b>	<b>1,787</b>	<b>1,762</b>

The group average monthly number of employees was 39 (2021: 40), 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:

	2022 Number	2021 Number
<b>The average number of FTE employees during the year was:</b>	<b>36</b>	<b>37</b>
The number of employees whose emoluments as defined for taxation purposes amounted to over £60k in the year was as follows:		
£60,000 - £69,999	-	2
£70,000 - £79,999	2	-
£80,000 - £89,999	2	1
£100,000 - £109,999	-	1

The total amount of compensation of key management, as defined in the Report of the Trustees, for the group was £368,000 (2021: £441,000).

## 7. Pension costs

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 £54,000 (2021: £57,000). Of this £16,000 (2021: £15,000) related to employees whose emoluments were over £60,000 as shown in the consolidated staff costs note 6.

## 8. Consolidated Intangible fixed assets

### a) Consolidated Intangible fixed assets

	Software £'000	Intellectual property £'000	Goodwill £'000	Total £'000
<b>Cost:</b>				
At 1 <sup>st</sup> April 2021	87	10	-	97
Additions	26	9	77	112
At 31 <sup>st</sup> March 2022	113	19	77	209
<b>Amortisation:</b>				
At 1 <sup>st</sup> April 2021	30	4	-	34
Charge for the year	19	3	6	28
At 31 <sup>st</sup> March 2022	49	7	6	52
<b>Net book value:</b>				
At 31 <sup>st</sup> March 2022	64	12	71	147
At 31 <sup>st</sup> March 2021	57	6	-	63

### b) Charity Intangible fixed assets

	Software £'000	Intellectual property £'000	Total £'000
<b>Cost:</b>			
At 1 <sup>st</sup> April 2021	87	10	97
Additions	19	-	19
At 31 <sup>st</sup> March 2022	106	10	116
<b>Amortisation:</b>			
At 1 <sup>st</sup> April 2021	30	4	34
Charge for the year	17	1	18
At 31 <sup>st</sup> March 2022	47	5	52
<b>Net book value:</b>			
At 31 <sup>st</sup> March 2022	59	5	64
At 31 <sup>st</sup> March 2021	57	6	63

## 9. Consolidated and Charity Tangible fixed assets

	Computers £'000	Office Equipment £'000	Total funds £'000
<b>Cost:</b>			
At 1 <sup>st</sup> April 2021	117	70	187
Additions	94	-	94
Disposals	(47)	(60)	(107)
At 31 <sup>st</sup> March 2022	164	10	174
<b>Depreciation:</b>			
At 1 <sup>st</sup> April 2021	112	48	160
Charge for the year	23	7	30
On disposals	(47)	(48)	(95)
At 31 <sup>st</sup> March 2022	88	7	95
<b>Net book value:</b>			
At 31 <sup>st</sup> March 2022	76	3	79
At 31 <sup>st</sup> March 2021	5	22	27

Included in office equipment are assets held under finance leases with a net book value of £2,000 (2021: £3,000). The depreciation charge on these assets was £1,000 (2021: £1,000).

## 10. Investments

There was a new addition to the group structure during the year with the incorporation of Picker HWA Ltd on 24<sup>th</sup> May 2021. The charity owns 100% of the share capital. The legal entity agreed to continue the business of Howard Warwick Associates Limited on 1<sup>st</sup> July 2021 as a going concern.





A summary of the results for Picker HWA Ltd is shown below:

	2022 £'000
<b>Profit and loss account:</b>	
Income	279
Expenditure	245
Retained profit for the period	34
<b>Balance sheet:</b>	
Fixed assets	83
Current assets	308
Creditors: amounts falling due within one year	300
Net Current assets	8
Total assets less current liabilities	91
Creditors: amounts falling due after more than one year	56
Total Net Assets	35
Called up share capital	1
Profit and loss account	34
Shareholders' funds	35

Picker HWA Ltd acquired assets of Howard Warwick Associates Limited (HWA) as a going concern on 1st July 2021. The assets acquired for the purchase consideration of £93,000 in cash are all Intangible assets as listed below:

An online research platform shown as computer applications (£7,000).

The brand assets and intellectual property is for the questionnaires, and HWA brand (£9,000).

Goodwill is the balancing figure (£77,000) and is for the client contracts and client contact list.

The significant accounting policies for the useful life of the assets including goodwill and their amortisation is disclosed in note 1k Intangible fixed assets and amortisation.

The amounts of the combination during the reporting period are as follows:

Revenue £279,000  
Profit £34,000 (after amortisation of £10,000)

In the prior year, the planned removal of Institut AG in liquidation from the group structure completed when it was deregistered as a legal entity on 20<sup>th</sup> 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.



## 11. Debtors

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade debtors	1,148	1,142	963	1,142
Inter organisational account	-	-	147	-
Accrued income	123	60	48	60
Prepayments	108	105	108	105
	1,379	1,307	1,266	1,307

## 12. Creditors: amounts falling due within one year

Obligations under finance leases	1	1	1	1
Purchase consideration	37	-	-	-
Trade creditors	393	253	326	253
Taxation and social security	172	349	166	349
Accruals	142	185	112	185
Deferred income	400	708	400	708
Inter organisational account	13	-	-	-
	1,158	1,496	1,005	1,496

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 <sup>st</sup> April 2021	708	335	708	335
Released to income	(708)	(335)	(708)	(335)
Deferred in the year	400	708	400	708
At 31 <sup>st</sup> March 2022	400	708	400	708

## 13. Creditors: amounts falling due after more than one year

Obligations under finance leases	-	1	-	1
Purchase consideration	56	-	-	-
	56	1	-	1

## 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:

	2022 £'000	2021 £'000
<b>Expiry date:</b>		
Within one year	35	97
Between two and five years	-	2
	<b>35</b>	<b>99</b>

## 15. Related party transactions

The charity had transactions with the subsidiary Picker HWA Ltd during the year of £76,000 and had a year end balance owed of £160,000. There were no related party transactions in the prior year.

## 16. Reserves

### The movement on unrestricted funds is as follows:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
At 1 <sup>st</sup> April 2021	1,635	1,496	1,635	1,496
Income	4,057	3,303	3,778	3,303
Expenditure	(3,581)	(3,164)	(3,336)	(3,164)
At 31 <sup>st</sup> March 2022	<b>2,111</b>	<b>1,635</b>	<b>2,077</b>	<b>1,635</b>
Consolidated unrestricted funds	2,111	1,635		
Fixed asset reserves	(226)	(89)		
Unrestricted general Funds	<b>1,885</b>	<b>1,546</b>		
Represents in months the projected group total income, adjusted for amounts covered by restricted funds, for the next financial year	<b>9.0</b>	<b>8.7</b>		

## 17. Corporation taxation

The charity is exempt from tax on income and gains falling within the Corporation Tax Act 2010 and the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

For Picker HWA Ltd tax is recognised in the Statement of Financial Activities.

The current tax charge is calculated based on tax rates and laws at the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date.

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


	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Net income/(expenditure) for the year (as per the statement of financial activities)	486	139	442	139
<b>Adjustments for:</b>				
Depreciation charges	29	22	29	22
Amortisation charges	17	15	17	15
Interest on deposits	-	(1)	-	(1)
Loss/(profit) on sale of fixed assets	13	1	13	1
(Increase)/decrease in debtors	(72)	(278)	42	(278)
Increase/(decrease) in creditors	(375)	858	(491)	858
Net cash used in operating activities	<b>98</b>	<b>756</b>	<b>52</b>	<b>756</b>
<b>19. Analysis of cash and cash equivalents</b>				
Cash in hand	290	133	243	133
Notice deposits (less than 3 months)	1,429	1,601	1,429	1,601
Total cash and cash equivalents	<b>1,719</b>	<b>1,734</b>	<b>1,672</b>	<b>1,734</b>

## 20. Capital commitments

There were no capital commitments at the year end. In the prior year, 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.







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