

Registered number: 1480369
Charity number: 279652

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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

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DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Mr P Atkey (appointed 26 January 2022) Mr C McLaren (resigned 16 November 2021) Mr J Champan Mr S Mann (appointed 26 January 2022) Mr T Anthony Mr B Clargo Mr T Pearce Mr R Sparrow Mr S Walbridge (resigned 11 January 2022) Mr K Walker, Chair
Company registered number	1480369
Charity registered number	279652
Registered office	The Hyperbaric Medical Centre, Research Way Plymouth Science Park Plymouth PL6 8BU PL6 8BU
Chief executive officer	Dr G Smerdon
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	Barclays Bank Plc 140-146 Armada Way Plymouth PL1 1LA

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015 in preparing the annual report and financial statements of the Charity.

Since the Group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

a. Policies, objectives and public benefit

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

DDRC is committed to promoting research into diving related diseases, improving diving safety through education and providing the best possible medical treatment for victims of diving accidents. DDRC believes in the efficacy of HBO as an elective, evidence based treatment for medical conditions recognised to benefit from HBO. DDRC continually strives to improve the evidence base for use of HBO and is active in design and participation in research projects and clinical trials. The Charity's stated mission is "To improve our understanding of altered pressure and gas environments for the benefit of divers and patients through treatment, research and education".

Main Objectives for the Year –

The overall objectives for this year were:

DDRC Healthcare cross-cutting objectives

- To provide full 24 hour emergency service for diving accidents and other urgent indications for hyperbaric oxygen therapy.
- To work with the National Health Service (NHS) and the Care Quality Commission (CQC) to maintain patient access to hyperbaric treatment.
- To maintain the provision of high quality, hyperbaric oxygen therapy to elective patients with appropriate medical conditions.
- To further utilise new facilities for the development of teaching, education and research as if pandemic restrictions continue to recede.
- To develop a new 4 year strategy for the Charity and its subsidiaries.
- To improve divers' understanding of the implications of altered pressure environments and their ability to look after themselves through continued training and education.
- To educate the medical world and the public regarding the potential and known benefits of hyperbaric oxygen therapy.

DDRC Healthcare research objectives

- To participate in local, national and international conferences to gather and disseminate research information, to interact with potential collaborators, and to learn the latest information pertinent to the fields of hyperbaric and diving medicine.
- To build further research interest in the effects of altered pressure and gas environments on the brain.
- To publish research results in high quality peer reviewed journals.
- To develop and participate in clinical trials.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES (CONTINUED)

- To carry out cutting edge research projects, predominantly in collaboration with academics and clinicians at the forefront of their fields. This research will predominantly be conducting using postgraduate and postdoctoral researchers partly supported by DDRC Healthcare.
- To interact with the diving community and develop projects pertinent to the diving industry (recreational or commercial).

DDRC Professional Services Limited (DDRCPS)

- To further expand our customer portfolio, utilise the new facilities teaching spaces to expand the quantity, frequency and range of courses provided.
- To provide courses for the many customers who we have been unable to service due to international travel restrictions.
- To seek out new markets and consider the introduction of new courses to widen its already comprehensive training portfolio.
- To preserve existing markets with customers in the UK and around the world, encouraging them to return for updates.
- The Directors of DDRCPS believe that this strategy will ensure the profitability of the company for the medium to long term.

DDRC Medical Services Limited (DDRCMS) (incorporating DDRC Wound Care)

- To further expand the range and capacity for occupational medicals.
- To further develop wound care services for both private customers and NHS commissioners.
- To continue to expand the scope and frequency of occupational medicals.
- To develop activity within DDRC Wound Care focussed on both private medicine and collaborating with relevant Clinical Commissioning Groups.

b. Strategies for achieving objectives

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

ACHIEVEMENTS AND PERFORMANCE

a. Key financial performance indicators

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

- Achieve a surplus in Charity between 0-3%
- DDRC Professional Services Ltd and DDRC Medical Services Ltd performance is now measured on absolute sales volume, on a rolling 12 month basis.
- Free reserves to be in excess of £250k

The pandemic has continued to impact on performance measures in the subsidiary companies, although DDRC Professional Services Ltd did achieve its target in the final 3 months. While clinical restrictions impacted for longer on DDRC Medical Services Ltd, it remains behind target, though improving. The Trustees are confident that all targets remains achievable with restrictions hopefully now lifted for good.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

b. Review of activities

Cross-cutting objectives

The Charity continued to provide a comprehensive 24 hour emergency service to divers and others requiring urgent hyperbaric therapy. It continued to provide 24 hour emergency telephone advice on behalf of the British Hyperbaric Association covering England. Demand for elective treatments continued, but in light of the pandemic and minimal NHS support for elective therapies only one therapeutic compression is programmed per day with 1-4 consultant referred patients. Other chamber activities including chamber experience dives have been strategically limited due to considerations surrounding the pandemic with respect to staff safety and maintaining a team to treat any diving emergencies as contracted by the NHS. However, with the threats from the pandemic receding there has been a recent trajectory towards the pre-pandemic activity levels, with respect to other uses of the chamber such as experience dives. Work has continued to inform local clinicians of the potential benefits of hyperbaric oxygen therapy and keep them informed of relevant publications.

The new teaching facilities built during the pandemic continue to be increasingly used for the delivery of training and educational events by DDRC staff. The new 4 year strategy developed this year will deliver further educational activities through better engagement with the diving community. This will help to improve divers' understanding of the implications of altered pressure environments and thus their ability to avoid accidents in the subaquatic environment.

The dissemination of the benefits the Charity provides through participation in trade shows is being considered post cessation during the pandemic. The Charity continues its active participation at a European level through involvement with EBAss (European Baromedical Association) to improve education and safety at hyperbaric facilities. Involvement in committees such as the British Diving Safety Group (BDSG) continue. We continue to participate in steering committee activities of the global CHYMAERA (formerly DAHMNet) group which seeks to develop registries as a global initiative for developing high quality clinical trials globally for HBO indications. Patient data continues to be collected and submitted anonymously to the REDCap database to help develop the evidence base for hyperbaric oxygen therapies. Educational programmes, Charity courses for divers (DARC) and boat skippers, and other ad hoc events were all cancelled again on safety grounds to prevent COVID infections but are due to be resurrected in 2022/23.

Research objectives

Research at DDRC includes clinical trials, biomedical research and diving studies. Participation in national and international research conferences is an important activity. The British Hyperbaric Association Annual Scientific Meeting was combined with the biannual UK Diving Medical Committee meeting in Oban in November and was well attended in person and online by DDRC staff. Staff attended the 2022 EUBS (the European Underwater and Baromedical Society) Annual Scientific Meeting in Prague in August . The 2022 UHMS (Undersea and Hyperbaric Medical Society) Annual Scientific Meeting in San Remo (United States) was not attended due to continued risk of pandemic-related travel disruption at that time.

The pandemic had a significant impact on research activities that will be reflected in the short to medium term due to all laboratory access being stopped for research students and collaborators. In the April 21 – March 22 period there were 5 peer-reviewed publications:

- St Leger Dowse, M., Waterman, M.K., Jones, R. and Smerdon, GR (2022) Aural health awareness and incident prevention in UK scuba divers. *Diving Hyperb Med* Mar 31;52(1):22-26. doi: 10.28920/dhm52.1.22-26
- St Leger Dowse, M., Howell, S. and Smerdon, GR (2021) Flying after diving: a questionnaire-based evaluation of pre-flight diving behaviour in a recreational diving cohort. *Diving Hyperb Med* 2021 Dec 20;51(4):361-367. doi: 10.28920/dhm51.4.361-367.
- Koch, J., Hesketh-Best, P.J., Smerdon, G.R., Warburton, P.J., Howell, K. and Upton, M. (2021) Impact of growth media and pressure on the diversity and antimicrobial activity of isolates from two species of hexactinellid sponge. *Microbiology* 167(12):001123. doi: 10.1099/mic.0.001123

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

- Bishop A. (2021) Wound assessment and dressing selection: an overview. Br J Nurs. Mar 11;30(5):S12-S20. doi: 10.12968/bjon.2021.30.5.S12.PMID: 33733848

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

New clinical trials have been difficult to progress. The most advanced of these is DIONYSIUS which is a trial of hyperbaric oxygen therapy for the treatment of chronic diabetic foot ulcers. The trial has been authorised and is now recruiting patients in the Netherlands. DDRC is developing access to the required infrastructure to allow us to participate in this trial in 2022/23. The development of access to such infrastructure needs to be funded from DDRC research funds but once in place will also facilitate the development of further trials in the future. Other hyperbaric centres do not generally have access to research funds which has hampered participation to date.

DDRC continues to perform cutting edge research through its collaborations with local universities. No students submitted their theses in 2021/22 but three have recently submitted – 2 for PhD degrees and one for an MPhil. A collaborative PhD project with the Brain Research and Imaging Centre (BRIC) continues and a further PhD studentship has commenced with the University of Plymouth studying hypoxia. The Health of Divers research programme continues with a study of Cancer and Diving being written up for publication. A study of protein markers of decompression illness has been ongoing.

Research and clinical papers published in 2019 & 2020:

- Moore L, Eggleton P, Smerdon G, Newcombe J, Holley JE, Gutowski NJ, Smallwood M. (2020) Engagement of people with multiple sclerosis to enhance research into the physiological effect of hyperbaric oxygen therapy. Multiple Sclerosis and Related Disorders 43:102084. doi: 10.1016/j.msard.2020.102084. Epub 2020 Apr 29. PMID: 32442882
- Bishop AJ (2020) Negative pressure wound therapy for treating diabetic foot ulcers. The Diabetic Foot Journal 23(4): 36–41
- Bishop A. (2020) Development of guidelines for the referral of diabetic problem wounds for hyperbaric oxygen therapy. Wounds UK 16(3):45 50

Trading Subsidiaries

DDRC Professional Services Limited (DDRCPS) continued to provide a range of services and courses for the maritime, diving, and offshore communities. For the early part of 2021 overall numbers were considerably down on previous years due to restrictions imposed for the pandemic. By utilising the new, more spacious teaching facilities and with the restrictions of the pandemic receding, we have managed to further expand our customer base and return to the levels of course participants seen in previous years. Overseas clients unable to travel to access our services during the pandemic returned and the level of overseas training has continued to climb. The signing of a MOU with the royal Thai Navy in Bangkok for the delivery of courses collaboratively further strengthened our presence in Asia.

DDRC Medical Services Limited (DDRCMS) has delivered occupational medicals despite pandemic restrictions. DDRC Wound Care saw no growth in patient treatments but educational opportunities continued to emerge. The decision was taken to cease undertaking wound care within the DDRC Medical Services subsidiary and de-register the company from the Care Quality Commission. Wound care education and training continues.

FINANCIAL REVIEW

a. Going concern

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW (CONTINUED)

b. Income and expenditure

The year 2021/22 remained impacted by the pandemic, particularly through the early months, as described above. While a large part of the Charity's income is fixed in advance, it did benefit from the completion of its new facilities, allowing for an increase in income from its tenants.

The trading subsidiaries struggled financially through the earlier months while restrictions remained in place. However, the final quarter was very busy, as old customers returned, and others caught up the opportunities missed during the pandemic.

Income for the year was up by 36% at £2.416m. The majority of this increase was in the subsidiary trading companies, for the reasons described above, with training income up by 193% and medical services income up 57%. There was also an increase in the income for the Charity. There was a boost to Other Income in the Charity as a result of settling the final cost for the building extension.

Total expenses, related to operations, increased by 18% to £1.979m. Operationally, the Charity remained operational 24/7/365 through all of the Covid lockdowns, though activity was reduced.

The Group is reporting a surplus of £451,607 for the year. The subsidiary companies both made profits in the year, and the Charity itself was in surplus.

c. Reserves policy

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

A minimum of £400,000 is retained as unrestricted free reserves, to meet any short term shocks. At the year end, the Group held unrestricted free reserves of £735,466.

d. Principal funding

The Charity holds a significant risk in having only one significant customer – the NHS. In England, the risk is mitigated by the obligation on the NHS to provide emergency treatment for divers, which continues to be a major source of funding.

The new facilities, available from the beginning of the financial year, has allowed the Charity to diversify its income, with revenue from its new tenant. It has also opened the way for additional collaboration with the university and the NHS, and these opportunities are being developed, for both revenue enhancement and research. With the additional space, more appropriate to the services provided, there is every confidence that turnover can be increased. The impact of Covid has lingered through a large part of 2021, but business has returned, and there should be no threat as a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Charity is a company limited by guarantee, and was set up in 1980. It is governed by a Memorandum and Articles of Association.

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

- (a) The conduct of scientific and medical research into

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

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

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

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision making

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

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

d. Policies adopted for the induction and training of Trustees

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

e. Pay policy for senior staff

The senior management team was unchanged throughout the financial year. The Charity continues to review its remuneration policy for all staff, with particular consideration to comparable salaries in the healthcare sector, and has again improved its pension offering.

f. Risk management

The Charity has accreditation to ISO 9001:2015. This ensures that a comprehensive Risk Management process is conducted at all levels within the operational part of the Charity. There is a standing agenda item for all Trustee meetings, which requires the Chief Executive to report on any major risks which could threaten the Charity. "Major risks" are those risks which have a high likelihood of occurring and would, if they occurred, have a severe impact on operational performance, achievement of aims and objectives or could damage the reputation of the Charity, changing the way trustees, supporters or beneficiaries might deal with the Charity.

Funds held as custodian

The Charity and its Trustees do not act as Custodian Trustees in any other Charity.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

The overall objectives for the coming year:

DDRC Healthcare cross-cutting objectives

- To provide full 24 hour emergency service for diving accidents and iatrogenic gas embolisms as per the NHSE contract.
- To work with the National Health Service (NHS) and the Care Quality Commission (CQC) to maintain patient access to hyperbaric treatment and maintain the provision of high quality, hyperbaric oxygen therapy to elective patients with appropriate medical conditions
- To continue to improve divers' understanding of the implications of altered pressure environments and their ability to look after themselves through continued training and education.
- To begin to deliver the 2022-2026 DDRC Healthcare strategy

DDRC Healthcare research objectives

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

DDRC Professional Services Limited (DDRCPS)

- To further expand our customer portfolio, utilise the new facilities teaching spaces to expand the quantity, frequency and range of courses provided.
- To seek out new markets and consider the introduction of new courses to widen its already comprehensive training portfolio.
- To preserve existing markets with customers in the UK and around the world, encouraging them to return for updates.

DDRC Medical Services Limited (DDRCMS) (incorporating DDRC Wound Care)

- To continue to expand the scope and frequency of occupational medicals starting with a return to pre-covid levels of activity

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

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

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

Approved by order of the members of the board of Trustees on 6 December 2022 and signed on their behalf by:



Mr K Walker

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE

OPINION

We have audited the financial statements of DDRC Healthcare (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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 Group's or the parent 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 Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**DDRC HEALTHCARE
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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:

Identifying and assessing potential risks related to irregularities

- We have considered the nature of the industry and sector, control environment and financial performance;
- We have considered the results of our enquiries of management about their own identification and assessment of the risks of irregularities within the entity; and,
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.
- We have obtained and reviewed the Charity's documentation of their policies and procedures relating to:
 - o Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - o The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- We have considered the matters discussed among the audit engagement team regarding now and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. An additional risk was identified with regards to the valuation of Land and Buildings.

We also obtained an understanding of the legal and regulators frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, Financial Reporting Standard 102, Charities Act 2011, Charity SORP 2019, UK tax legislation and employment law.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These regulations include: Diving at Work, Control of Substances Hazardous to Health, Confined Spaces, Work in Compressed Air, Data Protection, Occupational Health and Safety and employment legislation.

Audit response to risks identified

We identified revenue recognition cut-off and accounting estimates as key audit matters related to the potential risk of fraud.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DDRC HEALTHCARE (CONTINUED)

- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off;
- Reviewing minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries, and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of the business.
- Considered the nature and use of fixed assets, agreed completion dates of building works, and considered future rental yield.

We also communicated relevant identified laws and regulations and potential fraud risk to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 15 December 2022

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	4	12,807	12,807	11,574
Charitable activities	5	1,596,667	1,596,667	1,561,712
Other trading activities	6	461,866	461,866	174,734
Investments	7	230,825	230,825	9,450
Other income	8	113,434	113,434	16,793
Total income		2,415,599	2,415,599	1,774,263
Expenditure on:				
Raising funds		268,191	268,191	194,418
Charitable activities		1,695,801	1,695,801	1,973,072
Total expenditure		1,963,992	1,963,992	2,167,490
Net movement in funds		451,607	451,607	(393,227)
Reconciliation of funds:				
Total funds brought forward		3,607,236	3,607,236	4,000,463
Net movement in funds		451,607	451,607	(393,227)
Total funds carried forward		4,058,843	4,058,843	3,607,236

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 36 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	2,956,726	2,838,747
Investment property	14	1,624,813	1,624,813
		<u>4,581,539</u>	<u>4,463,560</u>
Current assets			
Stocks	16	21,012	17,070
Debtors	17	171,090	100,485
Cash at bank and in hand		849,139	307,601
		<u>1,041,241</u>	<u>425,156</u>
Creditors: amounts falling due within one year	18	(461,659)	(1,281,480)
Net current assets / (liabilities)		<u>579,582</u>	<u>(856,324)</u>
Creditors: amounts falling due after more than one year	19	(1,102,278)	-
Total net assets		<u><u>4,058,843</u></u>	<u><u>3,607,236</u></u>
Group funds			
Unrestricted funds	20	4,058,843	3,607,236
Total funds		<u><u>4,058,843</u></u>	<u><u>3,607,236</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 6 December 2022 and signed on their behalf by:



Mr K Walker

The notes on pages 18 to 36 form part of these financial statements.

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

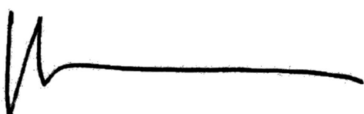
CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	2,944,971	2,825,711
Investments	15	4	4
Investment property	14	1,624,813	1,624,813
		<u>4,569,788</u>	<u>4,450,528</u>
Current assets			
Stocks	16	17,601	13,044
Debtors	17	125,935	93,830
Cash at bank and in hand		579,850	172,730
		<u>723,386</u>	<u>279,604</u>
Creditors: amounts falling due within one year	18	(371,197)	(1,296,011)
Net current assets / (liabilities)		<u>352,189</u>	<u>(1,016,407)</u>
Creditors: amounts falling due after more than one year	19	(1,102,278)	-
Total net assets		<u><u>3,819,699</u></u>	<u><u>3,434,121</u></u>
Charity funds			
Unrestricted funds	20	3,819,699	3,434,121
Total funds		<u><u>3,819,699</u></u>	<u><u>3,434,121</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 6 December 2022 and signed on their behalf by:



Mr K Walker

The notes on pages 18 to 36 form part of these financial statements.

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by operating activities	225,933	460,072
Cash flows from investing activities		
Purchase of tangible fixed assets	(282,460)	(2,195,261)
Net cash used in investing activities	(282,460)	(2,195,261)
Cash flows from financing activities		
Cash inflows from new borrowing	638,493	619,669
Interest paid	(40,428)	(6,787)
Net cash provided by financing activities	598,065	612,882
Change in cash and cash equivalents in the year	541,538	(1,122,307)
Cash and cash equivalents at the beginning of the year	307,601	1,429,908
Cash and cash equivalents at the end of the year	849,139	307,601

The notes on pages 18 to 36 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. GENERAL INFORMATION

The Charity is a private company limited by guarantee and incorporated in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The registered office of the Charity is The Hyperbaric Medical Centre, Research Way, Plymouth Science Park, Plymouth.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF 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 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are presented in pounds sterling as it is considered to be the functional currency of DDRC Healthcare and are rounded to the nearest £.

The Charity's net movement in funds for the year was £385,578 (2021 - £(320,276)).

2.2 GOING CONCERN

The accounts have been prepared on the going concern basis. The Group has returned a surplus in the current year, and has net current assets at the balance sheet date (net current liabilities at the prior year balance sheet date). It is the opinion of the Trustees that the Charity will continue as a going concern as the Charity is returning to pre Covid levels of activity. The services delivered (including those provided in the trading subsidiaries) have increased post Covid and there remains a demand for the services. Based upon this, the Trustees are confident the going concern basis is correct.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

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

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

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

2.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method or on a reducing balance basis as appropriate.

Depreciation is provided on the following bases:

Long-term leasehold property	- straight line up to 50 years
Plant and office equipment	- 15% reducing balance and straight line over 2 to 45 years
Motor vehicles	- straight line over 6 years
Assets under construction	- not depreciated

2.8 INVESTMENTS

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

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

Investments held as fixed assets are shown at cost less provision for impairment.

2.9 STOCKS

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.10 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.11 FINANCIAL INSTRUMENTS

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

2.12 PENSIONS

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

2.13 FUND ACCOUNTING

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Critical areas of judgement:

Investment property is included at valuation which requires management judgement to calculate; this valuation considers the net present value of future cash inflows generated from the property in addition to consideration of its market value.

Impairment of fixed assets is based upon valuation information and the value in use, which requires management judgement to calculate.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	12,807	12,807

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	11,574	11,574

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £
Medical income	1,596,667	1,596,667
Conference and course fees	-	-
TOTAL 2022	1,596,667	1,596,667

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2021 £	Total funds 2021 £
Medical income	1,556,045	1,556,045
Conference and course fees	5,667	5,667
TOTAL 2021	1,561,712	1,561,712

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Merchandising and training income	1,771	1,771
DDRC Professional Services Limited	381,628	381,628
DDRC Medical Services Limited	78,467	78,467
TOTAL 2022	461,866	461,866

	Unrestricted funds 2021 £	Total funds 2021 £
Merchandising and training income	62	62
DDRC Professional Services Limited	125,572	125,572
DDRC Medical Services Limited	49,100	49,100
TOTAL 2021	174,734	174,734

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £
Rental income	230,785	230,785
Bank interest receivable	40	40
TOTAL 2022	230,825	230,825
	Unrestricted funds 2021 £	Total funds 2021 £
Rental income	8,350	8,350
Bank interest receivable	1,100	1,100
TOTAL 2021	9,450	9,450

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £
Other operating income	12,149	12,149
Other incoming resources	101,285	101,285
	113,434	113,434
	Unrestricted funds 2021 £	Total funds 2021 £
Other operating income	16,793	16,793

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	1,632,189	63,612	1,695,801

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	1,924,091	48,981	1,973,072

ANALYSIS OF SUPPORT COSTS

	Activities 2022 £	Total funds 2022 £
Governance costs	63,612	63,612

	Activities 2021 £	Total funds 2021 £
Governance costs	48,981	48,981

10. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	13,510	11,220
Fees payable to the Group's auditor in respect of: All non-audit services not included above	3,740	3,105

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. STAFF COSTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	986,985	934,311	870,247	846,944
Social security costs	72,579	72,905	63,162	65,678
Contribution to defined contribution pension schemes	68,383	57,236	60,409	52,411
	1,127,947	1,064,452	993,818	965,033

During the year statutory redundancy payments were made by the Charity of £6,044 to 1 employee (2021: £NIL). These payments are included in wages and salaries costs.

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Staff	47	47	41	43

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	-

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration in respect of these individuals is £316,801 (2021: £288,332). Trustees receive no remuneration for their role and all remuneration reported relates to employees of the Group.

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totaling £NIL were reimbursed or paid directly to no Trustees (2021 - £NIL).

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
COST OR VALUATION				
At 1 April 2021	3,746,609	1,397,921	12,842	5,157,372
Additions	188,782	93,678	-	282,460
Disposals	-	(1,162)	-	(1,162)
At 31 March 2022	3,935,391	1,490,437	12,842	5,438,670
DEPRECIATION				
At 1 April 2021	1,183,450	1,122,333	12,842	2,318,625
Charge for the year	92,752	71,729	-	164,481
On disposals	-	(1,162)	-	(1,162)
At 31 March 2022	1,276,202	1,192,900	12,842	2,481,944
NET BOOK VALUE				
At 31 March 2022	2,659,189	297,537	-	2,956,726
At 31 March 2021	2,563,159	275,588	-	2,838,747

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Long-term leasehold property £	Plant and machinery £	Total £
COST OR VALUATION			
At 1 April 2021	3,746,609	1,358,492	5,105,101
Additions	188,782	90,870	279,652
At 31 March 2022	<u>3,935,391</u>	<u>1,449,362</u>	<u>5,384,753</u>
DEPRECIATION			
At 1 April 2021	1,183,450	1,095,940	2,279,390
Charge for the year	92,752	67,640	160,392
At 31 March 2022	<u>1,276,202</u>	<u>1,163,580</u>	<u>2,439,782</u>
NET BOOK VALUE			
At 31 March 2022	<u>2,659,189</u>	<u>285,782</u>	<u>2,944,971</u>
At 31 March 2021	<u>2,563,159</u>	<u>262,552</u>	<u>2,825,711</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. INVESTMENT PROPERTY

GROUP

	Long term leasehold investment property £
VALUATION	
At 1 April 2021	1,624,813
At 31 March 2022	<u>1,624,813</u>

CHARITY

	Long term leasehold investment property £
VALUATION	
At 1 April 2021	1,624,813
At 31 March 2022	<u>1,624,813</u>

Investment property relates to a proportion of the DDRC building, which is rented out to third parties. The 2022 valuations were made by the Trustees, on an open market value for existing use basis.

15. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
CHARITY	
COST OR VALUATION	
At 1 April 2021	4
AT 31 MARCH 2022	<u>4</u>

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Holding
DDRC Professional Services Limited	03004311	8 Research Way, Derriford, Plymouth, PL6 8BU	100%
DDRC Medical Services Limited	07560790	8 Research Way, Derriford, Plymouth, PL6 8BU	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit for the year £	Net assets £
DDRC Professional Services Limited	394,178	(340,733)	53,445	164,612
DDRC Medical Services Limited	82,687	(46,252)	36,435	74,535

DDRC Medical Services Limited has not been audited. The Directors have taken advantage of exemptions under Companies Act 479A. The parent Charity has signed a statement of guarantee for the subsidiary.

16. STOCKS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Raw materials and consumables	21,012	17,070	17,601	13,044

17. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
DUE WITHIN ONE YEAR				
Trade debtors	73,304	1,589	6,104	1,008
Amounts owed by group undertakings	-	-	47,644	21,467
Other debtors	15,050	36,189	755	26,282
Prepayments and accrued income	82,736	62,707	71,432	45,073
	171,090	100,485	125,935	93,830

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	155,884	619,669	155,884	619,669
Trade creditors	108,663	107,111	93,658	88,113
Amounts owed to group undertakings	-	-	-	101,291
Other taxation and social security	42,246	32,670	38,893	21,186
Other creditors	7,203	6,142	7,204	6,142
Accruals and deferred income	147,663	515,888	75,558	459,610
	461,659	1,281,480	371,197	1,296,011

Bank loans in 2021 relate to a bridging loan for the new build project. In 2022 this has been renegotiated to a loan repayable over 10 years with a fixed interest rate of 3.7% per annum. This loan is secured via a fixed and floating charge over property of the Charity.

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

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	1,102,278	-	1,102,278	-

Included within the above are amounts falling due as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
BETWEEN ONE AND TWO YEARS				
Bank loans	155,884	-	155,884	-
BETWEEN TWO AND FIVE YEARS				
Bank loans	467,652	-	467,652	-
OVER FIVE YEARS				
Bank loans	478,742	-	478,742	-

Amounts payable on the above bank loan are repayable by instalments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Fixed assets	3,843,891	-	(164,481)	(356,033)	3,323,377
GENERAL FUNDS					
General funds	(236,655)	2,415,599	(1,799,511)	356,033	735,466
TOTAL UNRESTRICTED FUNDS	3,607,236	2,415,599	(1,963,992)	-	4,058,843

Designated Funds

Fixed assets

This fund represents the net book value of designated assets, less any loans associated with the build. Transfers in to this designated fund relate to fixed asset purchases from general funds. Reflected in the transfers, there has been a significant transfer out of this fund of £638,493 in the current year, which relates to the renegotiation of the loan in respect of the build.

DDRC HEALTHCARE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Main site development fund	704,979	-	-	(704,979)	-
Fixed assets	2,852,347	-	(583,814)	1,575,358	3,843,891
	<u>3,557,326</u>	<u>-</u>	<u>(583,814)</u>	<u>870,379</u>	<u>3,843,891</u>
GENERAL FUNDS					
General funds	200,000	1,570,259	(1,387,633)	(789,992)	(407,366)
DDRC Professional Services Ltd	190,128	151,578	(169,141)	(58,654)	113,911
DDRC Medical Services Ltd	53,009	52,426	(26,902)	(21,733)	56,800
	<u>443,137</u>	<u>1,774,263</u>	<u>(1,583,676)</u>	<u>(870,379)</u>	<u>(236,655)</u>
TOTAL UNRESTRICTED FUNDS	<u>4,000,463</u>	<u>1,774,263</u>	<u>(2,167,490)</u>	<u>-</u>	<u>3,607,236</u>

21. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	3,843,891	-	(164,481)	(356,033)	3,323,377
General funds	(236,655)	2,415,599	(1,799,511)	356,033	735,466
	<u>3,607,236</u>	<u>2,415,599</u>	<u>(1,963,992)</u>	<u>-</u>	<u>4,058,843</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. SUMMARY OF FUNDS (CONTINUED)

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	3,557,326	-	(583,814)	870,379	3,843,891
General funds	443,137	1,774,263	(1,583,676)	(870,379)	(236,655)
	<u>4,000,463</u>	<u>1,774,263</u>	<u>(2,167,490)</u>	<u>-</u>	<u>3,607,236</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,956,726	2,956,726
Investment property	1,624,813	1,624,813
Current assets	1,041,241	1,041,241
Creditors due within one year	(461,659)	(461,659)
Creditors due in more than one year	(1,102,278)	(1,102,278)
TOTAL	<u>4,058,843</u>	<u>4,058,843</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,838,747	2,838,747
Investment property	1,624,813	1,624,813
Current assets	425,156	425,156
Creditors due within one year	(1,281,480)	(1,281,480)
TOTAL	<u>3,607,236</u>	<u>3,607,236</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	451,607	(393,227)
ADJUSTMENTS FOR:		
Depreciation charges	164,481	98,497
Impairment charges	-	485,317
Loss on the sale of fixed assets	-	601
Decrease/(increase) in stocks	(3,942)	1,169
Decrease/(increase) in debtors	(70,605)	190,680
Increase/(decrease) in creditors	(356,036)	70,248
Interest charges	40,428	6,787
NET CASH PROVIDED BY OPERATING ACTIVITIES	225,933	460,072

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash in hand	849,139	307,601

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	307,601	541,538	849,139
Debt due within 1 year	(619,669)	463,785	(155,884)
Debt due after 1 year	-	(1,102,278)	(1,102,278)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

26. CAPITAL COMMITMENTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of tangible fixed assets	-	163,862	-	163,862

The Charity committed to building an extension to the DDRC Medical Centre in the prior year. This was completed in year and no further commitments are now in place.

27. PENSION COMMITMENTS

The Group operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in an independently administered fund. The pension costs charge represents contributions payable by the Group to the funds and amounted to £68,383 (2021: £57,236). Contributions totaling £7,203 (2021: £6,139) were payable to the funds at the balance sheet date.

28. RELATED PARTY TRANSACTIONS

The Charity has two 100% subsidiaries as included in note 15. As these are wholly owned by DDRC Healthcare, the Charity has taken advantage of the exemption contained in FRS 102 Section 33.1A not to disclose transactions or balances with entities which form part of the Group.

There have been no transactions with other related parties.

29. CONTROLLING PARTY

The Charity is controlled by the Trustees.