

2946727

INTENSIVE CARE NATIONAL AUDIT

& RESEARCH CENTRE
(A company Limited by Guarantee)

ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 2004



MacIntyre Hudson

THE FUTURE IS WHAT YOU MAKE IT[®]

**INTENSIVE CARE NATIONAL AUDIT
& RESEARCH CENTRE**

FOR THE YEAR ENDED 31 DECEMBER 2004

Legal and administrative information

CONSTITUTION

Intensive Care National Audit & Research Centre is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

DIRECTORS and TRUSTEES

The directors at the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as Directors / Trustees.

The Directors / Trustees serving during the year and since the year end where as follows:

DIRECTORS

Ms G Baines
Professor N Black
Dr S Brett
Dr M Dalziel
Dr P Nightingale
Mr T A Rickwood
Dr A I K Short
Dr JD Young
Professor DK Menon

COMPANY SECRETARY

T A Rickwood

COMPANY NUMBER

2946727

REGISTERED OFFICE

Tavistock House
Tavistock Square
London WC1H 9HR

AUDITORS

MacIntyre Hudson
Greenwood House
4/7 Salisbury Court
London
EC4Y 8BT

BANKERS

Caf Bank Ltd
Kings Hill
West Malling
Kent ME19 4TA

REGISTERED CHARITY NUMBER

1039417

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Fax:

020 7388 3759

Email:

icnarc@icnarc.org

Website:

www.icnarc.org

**INTENSIVE CARE NATIONAL AUDIT
& RESEARCH CENTRE**

**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2004**

DIRECTORS RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financials statements, the Directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors and Trustees present their Report and the Financial Statement for the year ended 31 December 2004.

REVIEW OF ACTIVITIES

The Intensive Care National Audit & Research Centre (ICNARC) was incorporated as a company limited by guarantee and not having a share capital on 8 July 1994 (Number 2946727). The principal activities of the company are as stated in the Memorandum of Association:

- (1) the advancement of study and research into intensive care and the organisation and practise of intensive care; and
- (2) the promotion of study and research into intensive care and the publication of the useful results of such study and research.

During the year, the Centre continued to develop and run its national, comparative audit of patient outcome for intensive care and high dependency care. It also maintained a review of participants to ensure that members were actively participating in submitting data and not just calling themselves members. By the end of 2004 this review and the process of a number of units combining their facilities, had resulted in an increase of 1 participant and stood at 181 (180 - 2003) units that are now active participants in the audit and have received the training to collect the required data. For further information on our audit programme please refer to our website: www.icnarc.org/audit

ICNARC has established itself as a Centre of expertise in patient outcome audit. Close links are maintained with the Department of Health, intensive care units and high dependency units throughout the country, the Intensive Care Society, and a number of other representative bodies.

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2004 (Review continued)

Restricted research funding received throughout the year amounted to £219,585 (£211,882 – 2003). £126,482 coming from the National Coordinating Centre for Health Technology Assessment (NCCHTA) for the research 'An evaluation of the clinical and cost-effectiveness of the pulmonary artery flotation catheters (PAFC) in intensive care,' originally a three year project but extended to September 2004 (publication of results being reported in 2005.) £81,963 was received from the NHS R&D Service Delivery & Organisation Programme (SDO) from its commencement in June 2004 a thirty-month project titled: An Evaluation of Outreach Services in Critical Care. A further £11,140 was obtained from the Department of Health, for a Feasibility Study for the evaluation of the modernisation of adult critical care services. Other research activities continued throughout 2004 in supplying and collecting data into Sepsis and Serve Sepsis, Xigris and individual data requests from participating units. In November of 2004, ICNARC agreed to fund a fifteen-month Qualitative Study conducted by the DIPEX Research Group for an Intensive Care Module that will give information on 'Personal Experiences of Health & Illness' while in Intensive Care along with test and treatment information together with helpful support groups and other relevant material. For further information on ICNARC's research activities please refer to our website: www.icnarc.org/research

DIRECTORS

The Directors and Trustees who served throughout the period were:

Dr M Dalziel
Mr T A Rickwood
Dr A I K Short
Dr P Nightingale
Professor N Black
Dr JD Young
Dr S Brett
Ms G Baines

Professor DK Menon was appointed a Director / Trustee on the 29th April 2004

Directors and Trustees method of appointment;

Two Trustees are nominated to our board through our association with the Intensive Care Society (ICS). Further Board/Trustee members are acquired as necessary to fill skill gaps that contribute to the Board's composition. When identified these positions are sourced by use of network connections, word of mouth, advertisement and use of the internet.

PERFORMANCE

The results for the year ended 31 December 2004 produced a surplus of £57,528 (deficit £9,197 - 2003). The Memorandum of Association prohibits the payment of a dividend. The main source of income has been from the cost contributions of participants in the audit, which are set to cover the costs of development, training and data collection, data processing and reports for the Case Mix Programme. Total income generated in 2004 was £859,624 (£875,056 - 2003) this included £548,484 (£533,418 - 2003) from cost contributions and £291,203 (£327,367 - 2003) from research grants, specialist's surveys and other income. The cost contributions carried forward from payments in advance into 2005 amounted £215,585 (£214,992 - 2003).

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF
INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

We have audited the financial statements of the Intensive Care National Audit and Research Centre for the year ending 31 December 2004, which comprise of the Statement of Financial Activities, the Balance Sheet, the Income and Expenditure account and related notes. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The Trustees' (who are also directors of the Intensive Care National Audit and Research Centre for the purpose of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustee's remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information beyond that referred to in this paragraph.

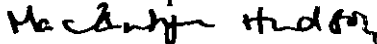
BASIS OF OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give a reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


MacIntyre Hudson
Chartered Accountants
& Registered Auditor

London 22/09/2005

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	Unrestricted Funds		Restricted	2004	2003
		General	Development	Fund		
		£	£	£	£	£
Incoming resources						
<i>Activities in furtherance of the Charities objectives</i>						
Participant's cost contribution (APCC)	5	548,484	-	-	548,484	533,418
Activities in promoting the APCC including: training, software licencing, annual Mtg income, travel, speaker fees and sopra development		11,618	-	-	11,618	25,358
Data Services		60,000	-	-	60,000	90,127
Research funding	2	-	-	219,585	219,585	211,882
Investment income - bank		19,937	-	-	19,937	14,271
Total incoming resources		640,039	-	219,585	859,624	875,056
Resources expended						
<i>Cost of Expenditure in furtherance of the Charities objectives</i>						
Participants cost contributions		358,612	-	-	358,612	308,874
Activities in promoting APCC		63,623	-	-	63,623	96,570
Data Services		84,834	-	-	84,834	82,146
Research		-	-	202,838	202,838	309,077
Governance		92,189	-	-	92,189	87,586
Total resources expended	3	599,258	-	202,838	802,096	884,253
Net incoming resources/(deficit)		£40,781	-	£16,747	£57,528	(9,197)
Net movement in funds		40,781	-	16,747	57,528	(9,197)
Transfer between funds		(18,687)	-	18,687	-	-
Opening Funds						
Fund balance brought forward		346,794	43,950	(5,466)	385,278	394,475
Fund balances c/f at 31 December		£368,888	£43,950	£29,968	£442,806	£385,278

The Notes on pages 10 to 14 form part of these accounts.

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	Unrestricted Funds General £	Development £	Restricted Fund £	2004 £	2003 £
Turnover	5	620,102	-	219,585	839,687	860,785
Administration and other expenses		599,258	-	202,838	802,096	884,253
OPERATING SURPLUS/(DEFICIT)	6	20,844	-	16,747	37,591	(23,468)
Interest receivable		19,937	-	-	19,937	14,271
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES		40,781	-	16,747	57,528	(£9,197)
Transfer from/to Restricted/Unrestricted funds and/or Development funds		(18,687)	-	18,687	-	-
RETAINED SURPLUS(DEFICIT)		£22,094	-	£35,434	£57,528	(9,197)

All the company's operations are classed as continuing.

The company had no recognised gains or losses other than those included in the surplus for the year.

A statement of the movement on reserves appears as Note 12 to the financial statements.

The Notes on pages 10 to 14 form part of these accounts.

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

BALANCE SHEET 31 DECEMBER 2004

	Notes	£	2004 £	£	2003 £
FIXED ASSETS					
Tangible assets	9		22,457		41,425
CURRENT ASSETS					
Debtors	10	148,453		120,901	
Cash at bank and in hand		94		23,329	
Cash deposit		<u>644,807</u>		<u>548,827</u>	
		793,354		693,057	
CREDITORS: amount falling due within one year					
Receipts in advance		255,585		254,992	
Creditors	11	<u>117,420</u>		<u>94,212</u>	
		373,005		349,204	
			<u>420,349</u>		<u>343,853</u>
NET ASSETS			<u>£442,806</u>		<u>£385,278</u>
Represented by:					
Unrestricted Funds					
development fund	12	368,888		346,794	
general fund	12	43,950		43,950	
			<u>412,838</u>		<u>390,744</u>
Restricted Fund	12		29,968		(5,466)
			<u>£442,806</u>		<u>£385,278</u>

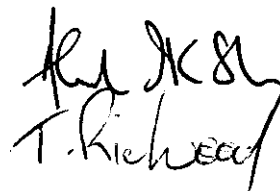
This Report of the Directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

A I K Short

Director

T A Rickwood

Director



Formally approved by the Board of Management on 13/9/2005

The Notes on pages 10 to 14 form part of these accounts.

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

1 ACCOUNTING POLICY

(a) The accounts have been prepared under the historical cost convention in accordance with the companies Act 1985 and follow the recommendations in *Accounting and Reporting by charities: Statement of Recommended Practices issued in October 2000. (The charities SORP 2000)*

(b) Interest is accounted for when receivable.

(c) Research Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

(d) Resources expended are recognised in the period in which they occur. Resources expended include attributable VAT which cannot be recovered.

(e) Resources expended are allocated to the particular activity where the costs relate directly to that activity. However, the cost of the overall direction and administration, comprising of salary and overhead costs are apportioned on an estimate of staff time on the following basis.

Annual Participants Cost Contribution (APCC)	65%
Activities in Promoting the APCC	5%
Consultancy	15%
Governance	15%

(f) Depreciation is provided at the following annual rates in order to write off the costs of each asset over its estimated life. Rates currently used are:

Computer equipment	33%	on cost
Office equipment	33%	on cost
Office furniture	20%	on cost

(g) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the organisation without further specified purpose and are available as general funds.

(h) Designated Funds are unrestricted funds earmarked by the Board of Management for a particular purpose i.e. Development fund.

(i) Restricted funds are to be used for the specific purposes as laid down by the provider. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

(j) Pensions. The charity operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity. The annual contribution payable are charged to the income and expenditure account.

2 RESEARCH FUNDING

	Unrestricted funds		Restricted			Total	Total
	General	Develop't	Outreach	PAFC	Feasability	2004	2003
	£	£	£	£	£	£	£
SDO - Outreach	-	-	81,963	-	-	81,963	-
NCCHTA -PAFC	-	-	-	126,482	-	126,482	156,949
Univ of Sheffield, PICOS	-	-	-	-	-	-	49,933
The Intensive Care Society	-	-	-	-	-	-	5,000
DH - Research & Devel't org	-	-	-	-	11,140	11,140	-
	-	-	81,963	126,482	11,410	219,585	211,882

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (continued)

3 RESOURCE EXPENDED

	Unrestricted				Restricted			Total	Total
	APCC	promoting	Data Serv.	Governance	Outreach	PAFC	PICOS/study	2004	2003
	£	£	£	£		£	£	£	£
Staff	242,892	18,838	56,514	56,513	36,766	69,379	6,260	487,162	585,916
Training	-	9,895	-	-	-	-	-	9,895	6,825
Recruitment	-	-	-	4,277	-	-	-	4,277	2,300
Meetings - Audit	34,743	-	-	-	-	-	-	34,743	29,138
Travel	9,185	707	2,119	2,119	-	-	-	14,130	9,393
Premises	50,791	3,907	11,721	11,721	-	-	-	78,140	76,948
Legal/audit fees	-	-	-	2,000	-	-	-	2,000	1,916
Communications	2,836	218	655	655	-	-	-	4,364	4,966
Publications/printing	3,967	305	915	915	-	-	-	6,102	3,273
Post and carriage	4,394	942	-	941	-	-	-	6,277	7,342
Bank charges	-	-	-	138	-	-	-	138	122
Depreciation	13,943	1,078	3,217	3,217	-	-	-	21,455	20,711
Research expenditure	-	24,502	-	-	2,469	30,899	10,921	68,791	86,187
Other support costs	42,005	3,231	9,693	9,693	-	-	-	64,622	49,216
Allocations	-46,144	-	-	-	12,760	28,766	4,618	-	-
	<u>358,612</u>	<u>63,623</u>	<u>84,834</u>	<u>92,189</u>	<u>51,995</u>	<u>129,044</u>	<u>21,799</u>	<u>802,096</u>	<u>884,253</u>

4 MANAGEMENT AND ADMINISTRATION

	Unrestricted	Restricted	2004	2003
	£	£	£	£
Staff costs	4,277	-	4,277	2,300
Board of Management & committees	648	-	648	653
Legal and Professional	2,000	-	2,000	1,916
	<u>6,925</u>	<u>-</u>	<u>6,925</u>	<u>4,869</u>

Travel costs amounting to £648 (£653 - 2003) where reimbursed to 3 (2 - 2003) trustee members

5 TURNOVER

	Unrestricted	Restricted	2004	2003
	£	£	£	£
Turnover represents income from the following:				
Participant's cost contribution (APCC) deferred b/fd	214,320	-	214,320	214,320
APCC income received 2004	549,749	-	549,749	534,090
Less APCC deferred income c/fd 2005	(215,585)	-	(215,585)	(214,992)
Participant's cost contribution (APCC)	<u>548,484</u>	<u>-</u>	<u>548,484</u>	<u>533,418</u>
Activities in promoting the APCC	11,618	-	11,618	25,358
Research funding	-	219,585	219,585	211,882
Data Services	60,000	-	60,000	90,127
	<u>620,102</u>	<u>219,585</u>	<u>839,687</u>	<u>860,785</u>

Promoting APCC include: training £7,137 - (£10,539 -2003) software licencing £3696 - (£10,413 -2003)

meeting income £1,801 (3,255 - 2003) and travel funding and speaker fees(£1,017) - (£1,151 - 2003)

No income was received during the year from overseas (nil in 2003)

6 SURPLUS ON ORDINARY ACTIVITIES

The surplus is stated after charging:

	Unrestricted	Restricted	2004	2003
	£	£	£	£
Depreciation	21,451	-	21,451	20,711
Auditors' remuneration	2,000	-	2,000	1,619
Employment costs (Note 7)	<u>376,737</u>	<u>110,425</u>	<u>487,162</u>	<u>585,916</u>

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (continued)

7 STAFF COSTS AND NUMBERS

	<u>2004</u>	<u>2003</u>
	£	£
Salaries	391,036	448,840
Social security costs	39,348	46,047
Pension	14,869	16,551
Seconded and contracted staff	41,909	74,478
	<u>487,162</u>	<u>585,916</u>

During 2004, 2 employees (2-2003) were seconded and paid by the charity £22,321 (£58,876 - 2003) from two separate National Health Trusts to complete the work on the PAFC project. Other agency staff were utilized to fill temporary vacancies.

# of employees receiving emoluments of between	£50,000 - £60,000	1	1
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The monthly average numbers employed during the year calculated on the basis of full time equivalent

	No	No
Audit	5	5
Research support	3	4
Research grant funded	2	3
Admin and support	5	6
	<u>15</u>	<u>18</u>

The company operates a Stake Holders Pensions scheme. Contributions in 2004 were £14,868 (£16,551 in 2003)
Number of employees in the company scheme were 10 (5 in 2003)

The Trustees were not paid during the year.

8 TAXATION

The company is exempt from income and corporation taxes under S505(1) of the Income and Corporation Taxes Act 1988.

9 FIXED ASSETS

	<u>Computer equipment</u>	<u>Office equipment</u>	<u>Office furniture</u>	<u>Total</u>
	£	£	£	£
Cost at 1 January 2004	125,194	34,987	21,942	182,123
Additions	2,085	299	100	2,484
At 31 December 2004	<u>127,279</u>	<u>35,286</u>	<u>22,042</u>	<u>184,607</u>
Depreciation at 1 January 2004	107,236	15,785	17,677	140,698
Depreciation for the period	13,424	5,040	2,988	21,452
At 31 December 2004	<u>120,660</u>	<u>20,825</u>	<u>20,665</u>	<u>162,150</u>
Net book value at 31 December 2004	<u>6,619</u>	<u>14,461</u>	<u>1,377</u>	<u>22,457</u>
Net book value at 31 December 2003	<u>17,958</u>	<u>19,202</u>	<u>4,265</u>	<u>41,425</u>

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (continued)

10 DEBTORS

	<u>2004</u> £	<u>2003</u> £
Research projects	34,004	28,318
Other debtors	<u>114,448</u>	<u>92,583</u>
	<u>148,452</u>	<u>120,901</u>

11 CREDITORS

	<u>2004</u> £	<u>2003</u> £
Creditors	74,794	59,263
Accruals	17,192	13,427
Other taxation and social security costs	<u>25,433</u>	<u>21,522</u>
	<u>117,419</u>	<u>94,212</u>

12 RESERVES

The movement in the reserves were as follows:

	<u>at 1 Jan 2004</u> £	<u>Incoming resources</u> £	<u>outgoing resources</u> £	<u>transfers</u> £	<u>at 31 Dec 2004</u> £
Restricted funds					
research grants					
SDO -Service Delivery & Organisation	-	81,963	(51,995)	-	29,968
NCCHTA - PAFC	(22,328)	126,482	(129,044)	24890	-
Univ.of Sheffield- PICOS	16,862		(8,605)	(8,257)	-
DH - Modernisation feasibility study	-	11,140	(13,194)	2,054	-
Unrestricted funds					
development fund (Designated)	43,950	-	-	-	43,950
general fund	346,794	640,039	(599,258)	(18,687)	368,888
At the end of the period	<u>385,278</u>	<u>859,624</u>	<u>(802,096)</u>	<u>-</u>	<u>442,806</u>

Purposes of restricted funds

Resourced against awarded scientific research grants. At times income is received in advance of expenditure where upon a contingent liability is recognised.

Purpose of designated funds

The Development Fund has been established to assist the development of a national, comparative, audit of patient outcome for intensive care and high dependency care and the associated research therein.

13 CAPITAL COMMITMENTS

There were no capital commitments.

14 ULTIMATE CONTROLLING PARTY

The Trustees are of the opinion that there is no one controlling party of the charitable company.

INTENSIVE CARE NATIONAL AUDIT & RESEARCH CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (continued)

15 OPERATING LEASE COMMITMENTS

The amounts payable in the next year in respect of the operating leases for land and buildings & equipment are shown below, analysed according to the expiry date of the lease

	<u>2004</u> £	<u>2003</u> £
Land & Building		
Between two and five years	<u>60,000</u>	<u>60,000</u>
Equipment		
Between two and five years	<u>3,315</u>	<u>-</u>

16 CONTINGENT LIABILITIES

The organisation is in receipt of grant income in advance of the expenditure incurred

Outreach (SDO)	£29,968
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The organisation has entered into a contract on the 24 November 2004 with 'The DIPEX Charity' to fund a fifteen month project into the Personal Experiences of Health & Illness - A Dipex Module on Intensive Care. The total contract commitment is £85,980 with £72,930 being due to DIPEX