

**THE OXFORD FOUNDATION FOR ETHICS AND
COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"
(A company limited by guarantee)**

**Report of the Trustees and
Financial Statements for the year ended 31 December 2007**

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THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

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for the year ended 31 December 2007

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THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Report of the Trustees for the year ended 31 December 2007

The trustees present their report and the audited financial statements for the year ended 31 December 2007

Legal and Administrative Information

Status

The organisation is a charitable company limited by guarantee, incorporated on 14 December 1998 and registered as a charity on 13 January 1999

The company was established under a Memorandum of Association which established the objectives and powers of the charitable company, and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the AGM to serve a period of 3 years

Trustees

Lady Carolyn Roberts (Chairman)
Mr D Perry
Prof A Coulter (resigned 27 August 2008)
Mrs C Foster (resigned 14 April 2008)
Mrs M Judge (resigned 24 January 2008)
Dr A Banerji (resigned 29 November 2007)
Mr A Markus (appointed 24 May 2007)
Mr C Foster (appointed 24 January 2008)
Dr S Louw (appointed 24 January 2008)
Mrs A Young (appointed 24 January 2008)

Secretary

Mr J T Gould

Registered office

51 Henley Avenue
Oxford
OX4 4DJ

Company number:

3683208 (England and Wales)

Charity number

1073289

Auditors

Morgan Cameron Limited, Chartered Accountants
Registered Auditors
Wittas House, Two Rivers
Station Lane
Witney
OX28 4BH

Bankers

National Westminster Bank plc
121 High Street
Oxford
OX1 4DD

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Report of the Trustees
for the year ended 31 December 2007

Objectives of the charity

The aim of the charity is to improve patient care through,

- 1 enhancing the ethical and communication skills of health professionals, and
- 2 developing effective ways in which organisations involved in the delivery of health care can promote high ethical standards

Operating policy

In order to achieve this aim, the charity focuses on three areas of activity

- 1 The development and delivery of undergraduate and postgraduate **education and training** with the object of equipping health professionals to care for the whole patient
- 2 **Research** into a range of key ethical and communication issues which affect the practice of medicine
- 3 Working with both the purchasers and providers of health care in establishing **clinical ethics consultation** services including clinical ethics committees

In pursuit of these aims the Ethox Foundation has powers to employ its own staff on a full or part time basis, to engage consultants, to make grants to universities and other educational institutions, plan and manage training courses, seminars etc alone or in collaboration with other bodies, and to provide support facilities for scholars working in the Foundation's area of interest

Organisational structure

The charity is managed by the trustees with the support of an administrator Professor Michael Parker, Director of the Ethox Centre in the Department of Public Health and Primary Care in the University of Oxford, and Professor Tony Hope act as advisors to the Ethox Foundation

Review of the year

The Ethox Centre shares the Foundation's commitment to enhancing patient care by improving the ethical understanding and ethical standards of health professionals and healthcare organisations. It does this through research, education and the provision of ethics support to healthcare professionals and medical researchers. The Foundation currently supports two positions within the Centre. One of these is a full-time post which provides general administrative support to the Centre's clinical ethics activities.

During 2007, the Centre's new research activities included an empirical ethics research project investigating the views of patients, health professionals and medical researchers on the ethical issues arising in the use of personal medical records for research. In addition to its research activities, the Centre has continued to provide ethics support and education to health professionals and healthcare organisations both locally and nationally. Locally, this includes support for the Oxford Radcliffe Hospitals Trust Clinical Ethics Committee and monthly ethics support to the Churchill Hospital's Regional Genetics Service. Nationally, the Ethox Centre runs a regular national ethics forum for nurses, genetic counsellors and doctors working with families with inherited conditions to present and discuss difficult cases and to share good practice. Proposed areas for future development include research on the ethical and policy issues arising in the care of vulnerable adults. This is a very important and expanding area of health care which presents a number of important ethical issues and where there is the potential for research to lead to important improvements in patient care. A proposal for a programme of empirical ethics research in this area is currently being considered for funding by the Foundation.

The other post funded by the Foundation is a part-time post to develop clinical ethics support. The Clinical Ethics Support Project has had a successful year. Its work in support of the UK Clinical Ethics Network continues in a number of ways. For example, Foundation support has been crucial in enabling the CEC network to establish a robust structure of support to clinical ethics committees in the UK. This has resulted in the Network becoming a registered charity in 2007 – the UK Clinical Ethics Network. The Network is now taking the lead on development of a core competencies statement for clinical ethics committees. The network website, maintained and developed by the Clinical Ethics Support Project, continues to be well-used. During 2007, a collaborative project between the Foundation and the Network to develop web-based resources and workshops on the Mental Capacity Act 2005 was funded by the Department of Health. At the end of 2007, the web resources were nearing completion and two out of three workshops had been held. We are currently negotiating with the GMC regarding a similar project on ethical issues in treating children and adolescents linked to new GMC guidance in this area. Areas for future development of the Clinical Ethics Support Project have been identified and a joint proposal between the Ethox Centre and Warwick Medical School to further expand research, education and the development work in clinical ethics, is currently being considered by the Foundation.

Last year we reported the death of our previous Chairman, Caroline Miles. Caroline was the inspiration behind the founding of the Charity. Her commitment to the Foundation has been evidenced by her bequeathing the residue of her estate to the Charity. The Board looks forward to commemorating her life and work by annual named lectures.

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
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Report of the Trustees
for the year ended 31 December 2007

Future strategy

The Foundation continues to support the work in the Ethox Centre and is currently considering the two research proposals outlined in the 'Review of the year'. The Centre's national importance is now well-established. Its international role is increasing through staff participation in seminars and conferences overseas and through its ability to offer hospitality to overseas scholars and those responsible for medical education. The Foundation's focus remains patients and their families, and the ways in which ethically aware and appropriately trained health professionals can improve the quality of health care.

Risk Management will continue to be a priority for the Board. The Chairman has held discussions with an Organisation Development consultant who has offered to work *pro bono* for the Foundation. It is anticipated this work will be instrumental in developing strategy and improving governance. The Trustees welcomed and appreciated this opportunity to look to the future.

Reserves policy

At 31 December 2007 general reserves stood at £544,847. A further £13,375 was held in restricted funds to support the work of the UK Clinical Ethics Committee, work on ethics and anorexia nervosa and work on a project linked to the Mental Health Capacity Act. The Board regularly compares planned expenditure with the level of the reserves to ensure that activities can continue for at least two years ahead.

Risk review

The Foundation has used the Charity Commission's document 'Charity and Risk Management' to begin to identify potential risk areas, their potential impact and mitigation. Role descriptions were developed for the Chairman, Treasurer and Secretary to the Board.

In order to improve the skills and knowledge base of the Board the following new trustees have been appointed since the year end:

Mr Charles Foster
Dr Stephen Louw
Mrs Annie Young

Each new trustee now receives an induction pack in line with Charity Commission guidelines and best practice.

A risk assessment document was produced. This outlined the necessary internal controls that needed to be put into place. The document included the work that the Chairman and Administrator had already undertaken to ensure the recommended internal controls were in place. A series of procedural documents have been produced and were presented to the Trustees. These were:

- a Project Management
- b Roles and Duties of Officers
- c Trustee Induction
- d Financial Procedures

Declaration of Interests, Declaration of Eligibility, and Conflict of Interest policy documents are in course of production as well as the continuing review of the Charity Commission's document 'Charity and Risk Management'.

Trustees

The names of the trustees - who are the directors for the purpose of company law - who served during the year and up to the date of this report are set out on page 1.

Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up. The total number of such guarantees at 31 December 2007 was 6 (2006: 6).

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Report of the Trustees
for the year ended 31 December 2007

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and

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

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

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Auditors

The auditors, Morgan Cameron Limited, Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities, and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

On behalf of the Board



Lady Carolyn Roberts – Trustee

26th September 2008

Dated

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE**

We have audited the financial statements of The Oxford Foundation for Ethics and Communication in Health Care Practice for the year ended 31 December 2007 which comprise the Statement of Financial Activities and Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity'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

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of The Oxford Foundation for Ethics and Communication in Health Care Practice for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements. We also report to you if, in our opinion, 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 trustees' remuneration and transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the charity's affairs as at 31 December 2007, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Annual Report is consistent with the financial statements.



Morgan Cameron Limited
Chartered Accountants
Registered Auditors
Wittas House, Two Rivers
Station Lane
Witney
OX28 4BH

Dated 26 September 2008

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Statement of Financial Activities and Summary Income and Expenditure Account
for the year ended 31 December 2007

		2007			2006
		Unrestricted Funds	Restricted Funds	Total	Total
Notes		£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
		2,008	-	2,008	92,110
	2	387,932	-	387,932	-
		-	6,000	6,000	-
		17,768	-	17,768	8,540
Investment income interest					
Incoming resources from charitable activities					
		11,524	-	11,524	8,230
		60	-	60	909
Total incoming resources		419,292	6,000	425,292	109,789
Resources expended					
Charitable activities					
		7,876	-	7,876	3,274
		16,000	-	16,000	18,599
		35,668	1,886	37,554	35,668
		59,544	1,886	61,430	57,541
		3,766	-	3,766	4,246
Total resources expended		63,310	1,886	65,196	61,787
Net incoming resources/(resources expended)		355,982	4,114	360,096	48,002
Total funds at 1 January 2007		188,865	9,261	198,126	150,124
Total funds at 31 December 2007		£544,847	13,375	£558,222	£198,126

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Balance Sheet
31 December 2007

		<u>2007</u>		<u>2006</u>	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		1,094		1,423
Current assets					
Trade debtors		-		180	
Prepayments		2,948		-	
Cash at bank		571,928		209,982	
		<u>574,876</u>		<u>210,162</u>	
Creditors amounts falling due within one year	8	<u>17,748</u>		<u>13,459</u>	
Net current assets			<u>557,128</u>		<u>196,703</u>
Total assets less current liabilities			<u>558,222</u>		<u>198,126</u>
Net assets			<u><u>£558,222</u></u>		<u><u>£198,126</u></u>
Funds					
Unrestricted general charitable funds			544,847		188,865
Restricted funds	10		<u>13,375</u>		<u>9,261</u>
			<u><u>£558,222</u></u>		<u><u>£198,126</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities

On behalf of the Board



Lady Carolyn Roberts - Trustee

Approved by the Board on

26th September, 2008.

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Notes to the Financial Statements
for the year ended 31 December 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities, the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities Statement of Recommended Practice published in October 2005

Incoming resources

Voluntary income received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers (including trustees) is not included

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable

Resources expended

Resources expended are recognised in the period in which they are incurred, and include attributable VAT which cannot be recovered

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where costs cannot be directly attributed to particular headings they are allocated to activities on a basis consistent with the use of resources

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is disclosed as a liability

Tangible fixed assets

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The following rates are used

Web site	25% on cost
Office equipment	25% on reducing balance
Furniture and fittings	20% on reducing balance

Items of equipment are capitalised where the purchase price exceeds £200

Pension contributions

The company contributes to a defined contribution pension scheme for its employees. The charge in the statement of financial activities represents the contributions payable to the scheme for the accounting period

Unrestricted funds

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"

Notes to the Financial Statements
for the year ended 31 December 2007

2 LEGACIES

The £387,832 included in incoming resources for the year was received from the estate of Mrs Caroline Miles, the former chairman of the trustees. A further sum is expected to be received from the estate during 2008, estimated to be at least £400,000

3 TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Total 2007 £	2006 £
Direct charitable expenditure	-	23,876	23,876	21,873
Support costs for the Ethox Centre	27,981	9,573	37,554	35,668
Management and administration	-	3,766	3,766	4,246
	<u>27,981</u>	<u>37,215</u>	<u>65,196</u>	<u>61,787</u>
Other costs include				
Depreciation			329	430
Auditors' remuneration			<u>1,998</u>	<u>1,944</u>

No expenses were reimbursed to trustees during the year

4 STAFF COSTS AND NUMBERS

	2007 £	2006 £
Salaries (including social security costs)	23,696	12,956
Pension contributions	<u>4,285</u>	<u>1,540</u>
	<u>27,981</u>	<u>14,496</u>

No employee received emoluments of more than £60,000

The trustees neither received nor waived any emoluments during the year (2006 £nil)

The average monthly number of employees during the year was as follows

	2007	2006
Administration	<u>1</u>	<u>2</u>

5 PENSION

The company operates a defined contribution pension scheme. The pension contributions charge for the period, shown in note 4 above, represents contributions payable by the company to the scheme.

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

6 TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

THE OXFORD FOUNDATION FOR ETHICS AND COMMUNICATION IN HEALTH CARE PRACTICE
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Notes to the Financial Statements
for the year ended 31 December 2007

7 TANGIBLE FIXED ASSETS

	Office equipment £	Furniture and fittings £	Web site £	Totals £
Cost				
At 1 January 2007 and 31 December 2007	<u>7,713</u>	<u>3,180</u>	<u>11,050</u>	<u>21,943</u>
Depreciation				
At 1 January 2007	6,839	2,631	11,050	20,520
Charge for year	<u>219</u>	<u>110</u>	<u>-</u>	<u>329</u>
At 31 December 2007	<u>7,058</u>	<u>2,741</u>	<u>11,050</u>	<u>20,849</u>
Net book value				
At 31 December 2007	<u>655</u>	<u>439</u>	<u>-</u>	<u>1,094</u>
At 31 December 2006	<u>874</u>	<u>549</u>	<u>-</u>	<u>1,423</u>

8 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Trade creditors	15,750	9,980
Accrued expenses	<u>1,998</u>	<u>3,479</u>
	<u>17,748</u>	<u>13,459</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Restricted funds £	Totals £
Fund balances at 31 December 2007 are represented by			
Tangible fixed assets	1,094	-	1,094
Current assets	561,501	13,375	574,876
Current liabilities	<u>(17,748)</u>	<u>-</u>	<u>(17,748)</u>
	<u>544,847</u>	<u>13,375</u>	<u>558,222</u>

10 RESTRICTED FUNDS

	At 01/01/07 £	Incoming resources £	Outgoing resources £	At 31/12/07 £
Mental Capacity Act project	-	6,000	1,886	4,114
UK Clinical Ethics Committee support	5,680	-	-	5,680
Anorexia project	<u>3,581</u>	<u>-</u>	<u>-</u>	<u>3,581</u>
	<u>9,261</u>	<u>6,000</u>	<u>1,886</u>	<u>13,375</u>

The Mental Capacity Act project aims to develop on-line and workshop based educational resources for clinical ethics committees in relation to the implementation of the Mental Capacity Act in the UK

The UK Clinical Ethics Committee support fund represents funds specifically given to support the costs of the work of the members of the Committee

The Anorexia project relates directly to work on ethics and anorexia nervosa