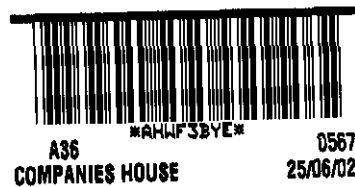


**THE OXFORD FOUNDATION FOR ETHICS AND
COMMUNICATION IN HEALTH CARE PRACTICE
t/a "THE ETHOX FOUNDATION"
(A company limited by guarantee)**

**Report of the Trustees and
Financial Statements for the year ended 31 December 2001**



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

**Contents of the Financial Statements
for the year ended 31 December 2001**

	Page
Legal and Administrative Information	1
Report of the Trustees	2
Report of the Independent Auditors	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7
Income and Expenditure Account	11

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

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:

Mrs C Miles (Chairman)
Mrs M Judge
Mr D Perry
Dr R C Repp
Prof. A Stein
Mr A J Wain
Mr T Snow - resigned 15/11/01

SECRETARY:

J T Gould

REGISTERED OFFICE:

51 Henley Avenue
Oxford
OX4 4DJ

COMPANY NUMBER:

3683208 (England and Wales)

CHARITY NUMBER:

1073289

AUDITORS:

Camerons, Chartered Accountants
Registered Auditors
9 Worton Park
Cassington
Witney
Oxfordshire
OX29 4SX

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 2001**

The trustees present their report and the audited financial statements for the year ended 31 December 2001.

STATEMENT OF AIMS

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 Ethox Foundation 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 Tony Hope, Professor of Medical Ethics in the University of Oxford and Director of the Ethox Centre in the Department of Primary Care acts as Advisor to the Ethox Foundation.

REVIEW OF THE YEAR

The Foundation continued to expand its work and influence in medical ethics and communication. In particular there were great strides in the postgraduate teaching of ethics and a research post in communication skills was established and filled during the year.

An Ethox brochure and report were produced during the year. A development plan for 2002-2005 is being finalised. These documents as well as being aimed at potential donors help to explain the work and aims of the foundation to a wider audience.

RESULTS AND FINANCIAL POSITION

During 2001 the Foundation received £10,000 in donations, £19,889 of bank interest and £4,714 from other sources. Resources expended totalled £154,013. The bulk of this expenditure was on grants (£82,440) and support costs (£45,035). The net result of all these transactions was expenditure exceeded income by £119,410. The value of the general fund at 31 December 2001 was £259,714 and the bank balance was £365,204.

As mentioned elsewhere in this report the Board is actively taking steps to increase income from donations.

FUTURE STRATEGY

The Board plans to expand the activities outlined under Operating Policy above and to generate sufficient income to support these activities from donations, grants and bank interest.

**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 2001**

RESERVES POLICY

At 31 December 2001 the reserves stood at £259,714. 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 Board believes that the main external risk to the foundation is the level of donations it receives. To mitigate this risk the Board is currently developing plans to increase the number of donations received. Internal risks are minimised by the use of procedures for authorising payments and signing cheques. The records are also audited annually.

TRUSTEES

The trustees - who are 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 charitable 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 2001 was 6 (2000 : 7).

RESPONSIBILITIES OF THE TRUSTEES

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.

AUDITORS

The auditors, Camerons, 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:


Mrs C Miles - TRUSTEE

Dated: 30 May 2002

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

**Report of the Independent Auditors 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 2001 on pages 5 to 10. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of trustees and auditors

As described on page 3 the company's trustees are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Report of the Trustees is not consistent with the financial statements, if the company 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 with the company is not disclosed.

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

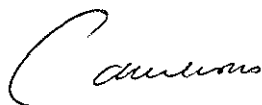
Basis of audit opinion

We conducted our audit in accordance with 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 charitable company'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 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 of the charitable company's state of affairs as at 31 December 2001 and of the 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.



Camerons, Chartered Accountants
Registered Auditors
9 Worton Park
Cassington
Witney
Oxfordshire
OX29 4SX

Dated: 30 May 2002

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

**Statement of Financial Activities
for the year ended 31 December 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
Incoming resources			
Donations from charitable foundations		10,000	60,000
Activities to further the charity's objectives:			
Fees for courses		2,850	5,470
Sundry income		1,864	801
Investment income: interest		<u>19,889</u>	<u>28,084</u>
Total incoming resources		<u>34,603</u>	<u>94,355</u>
 Resources expended			
Costs of generating funds:			
Fund-raising and publicity		3,216	447
Charitable expenditure:			
Grants payable to institutions	2	82,440	-
Grants payable to individuals		-	6,343
Training course		1,032	2,740
Course development		18,674	35,060
Support costs		45,035	33,997
Management and administration		<u>3,616</u>	<u>3,290</u>
Total resources expended	3	<u>154,013</u>	<u>81,877</u>
 Net (resources expended)/ incoming resources		(119,410)	12,478
 Total funds at 1 January 2001		<u>379,124</u>	<u>366,646</u>
 Total funds at 31 December 2001		<u><u>£259,714</u></u>	<u><u>£379,124</u></u>

All of the charity's funds are unrestricted.

The notes form part of these financial statements

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

**Balance Sheet
31 December 2001**

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6		12,778		16,192
Current assets					
Cash at bank		365,204		453,546	
Creditors: amounts falling due within one year	7	<u>86,443</u>		<u>67,140</u>	
Net current assets			<u>278,761</u>		<u>386,406</u>
Total assets less current liabilities			291,539		402,598
Creditors: amounts falling due after more than one year	8		<u>31,825</u>		<u>23,474</u>
Net assets			<u><u>£259,714</u></u>		<u><u>£379,124</u></u>
Funds					
Unrestricted general charitable funds			<u>259,714</u>		<u>379,124</u>
			<u><u>£259,714</u></u>		<u><u>£379,124</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 (effective March 2000).

ON BEHALF OF THE BOARD:



Mrs C Miles - TRUSTEE

Approved by the Board on 30 May 2002

The notes form part of these financial statements

**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 2001**

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 (effective March 2000), the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000.

Incoming resources

Voluntary income is 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 directors) has not been 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:

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

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

Unrestricted funds

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

2. GRANTS PAYABLE TO INSTITUTIONS

	2001 £	2000 £
University of Oxford re:		
Non-clinical lectureship in medical ethics	27,440	-
Research post in communication skills	<u>55,000</u>	<u>-</u>
	<u>82,440</u>	<u>-</u>

**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 2001**

3. TOTAL RESOURCES EXPENDED

	2001	2000
	£	£
Staff costs (note 4)	22,642	21,019
Lectureship funding	27,440	-
Delegate and research grants	55,000	6,343
Course development and presentation	20,298	37,980
Travel	592	321
Premises	11,063	5,792
Brochure development	3,216	447
Office overheads	5,699	4,225
Legal and professional	1,912	1,645
Audit fees	1,704	1,645
Bank charges	98	-
Depreciation	4,349	2,460
	<u>154,013</u>	<u>81,877</u>

No expenses were reimbursed to trustees during the year.

4. STAFF COSTS AND NUMBERS

	2001	2000
	£	£
Wages and salaries	<u>22,642</u>	<u>21,019</u>

No employee received emoluments of more than £50,000.

The trustees neither received nor waived any emoluments during the year (2000 : £nil).

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

	2001	2000
Administration	<u>1</u>	<u>1</u>

5. TAXATION

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

**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 2001**

6. TANGIBLE FIXED ASSETS

	Office equipment	Furniture and fittings	Web site	Totals
	£	£	£	£
Cost				
At 1 January 2001	6,640	3,180	11,050	20,870
Additions	<u>935</u>	<u>-</u>	<u>-</u>	<u>935</u>
At 31 December 2001	<u>7,575</u>	<u>3,180</u>	<u>11,050</u>	<u>21,805</u>
Depreciation				
At 1 January 2001	2,905	1,082	691	4,678
Charge for year	<u>1,167</u>	<u>420</u>	<u>2,762</u>	<u>4,349</u>
At 31 December 2001	<u>4,072</u>	<u>1,502</u>	<u>3,453</u>	<u>9,027</u>
Net book value				
At 31 December 2001	<u>3,503</u>	<u>1,678</u>	<u>7,597</u>	<u>12,778</u>
At 31 December 2000	<u>3,735</u>	<u>2,098</u>	<u>10,359</u>	<u>16,192</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001	2000
	£	£
Trade creditors	10,629	24,901
Grant commitments	64,421	40,242
Accrued expenses	<u>11,393</u>	<u>1,997</u>
	<u>86,443</u>	<u>67,140</u>

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

	2001	2000
	£	£
Grant commitments	<u>31,825</u>	<u>23,474</u>

**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 2001**

9. FINANCIAL COMMITMENTS

At the year end the company had the following financial commitments:

	2001 £	2000 £
Charitable:		
University of Oxford re:		
Non-clinical lectureship in medical ethics	46,088	63,716
Research post in communication skills	<u>50,158</u>	<u>-</u>
	<u>96,246</u>	<u>63,716</u>

The charitable commitments relate to grants made prior to the year end which remained unpaid at 31 December 2001, and are shown as grant commitments in notes 7 and 8.