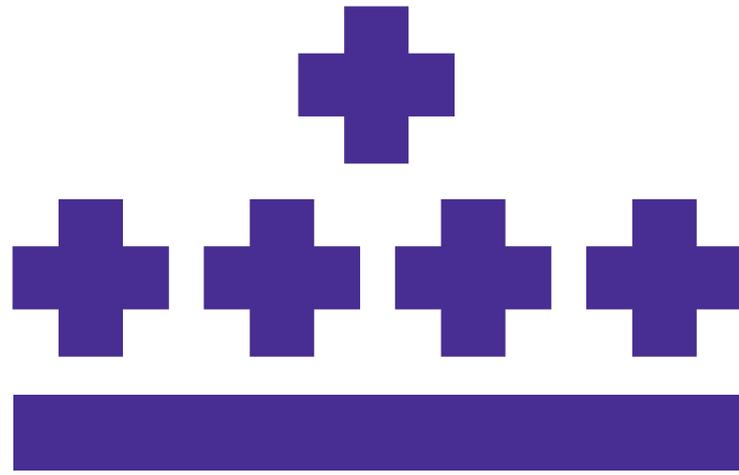




The Queen's
Nursing
Institute



Annual Report and Accounts Year to 31 December 2018





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Reference and Administrative Information about the Charity, its Members of Council and Advisers

Patron Her Majesty The Queen

Vice Presidents The Lord Ashburton KG KCVO
Dr June Crown CBE
Sir Sam Everington OBE

The members of Council (Trustees) at the date of this report, and those who served during 2018, are as follows:

Chair *and member of Council until March 2018* Kate Billingham CBE #+ (retired March 2018)

Chair *from March 2018* Dr John Unsworth #+

Vice-Chair Nick Addyman #
Dr Bob Brown
Dr David Colin-Thomé OBE
Michael Cooper *#
Zahir Fazal *
Dr David Foster OBE
Nicky Goulder #+
Rosalynde Lowe CBE *+
Dr Jenni Middleton

Honorary Treasurer Mike Patterson #+
Professor Liz Perkins (retired September 2018)
Christine O'Connell
William Rathbone OBE *#+
Dr Nicola Walsh # (retired March 2018)

* Council members nominated and appointed by the Patron

Members of the Finance & General Purposes Committee during 2018

+ Members of the Remuneration Committee

Chief Executive Dr Crystal Oldman CBE, EdD, MSc, MA, PG-Dip, PGCEA, RGN, RHV, RNT

Charity registration number 213128



Reference and Administrative Information about the Charity, its Members of Council and Advisers

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Investment Managers

Rathbone Investment
Management Limited
Port of Liverpool Building
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Bankers

CAF Bank Limited
25 Kings Hill Avenue
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Solicitors

Russell Cooke LLP
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London
SW15 6AB

Foreword from the Chair



2018 marked a significant milestone for the QNI, as we embarked on a significant programme aimed to increase the leadership and policy influence of nurses working in the community. Working alongside Suzanne Gordon, a distinguished author and journalist, the Institute ran a series of workshops alongside two keynote presentations around the theme of from 'Silence to Voice'. This work focuses on helping community nurses, from a wide range of field of practice, to articulate their value. The workshops and Suzanne's excellent keynote presentations promoted the positive contribution which community nurses make to the lives of people being cared for at home and in our communities. We look forward to continuing to work with Suzanne in 2019 and beyond.

Alongside our campaign work the QNI developed a growing reputation for excellence in leadership development of community nurses. Our Queen's Nurse Aspiring Leadership Development Programme ran two cohorts during 2018 with significant outcomes in terms of leadership thinking. During 2018, we also ran an Executive Nurse Leadership Programme, generously supported by the National Garden Scheme, via a grant marking the 90th Anniversary of the founding of the Scheme. The Executive Nurse Leadership Programme has also been hugely successful, with improvements in partnership and collaborative working within community services that will no doubt result in improved and less fragmented care for patients.

Our Queen's Nurse Network continues to grow, with more than 1,100 members across England, Wales and Northern Ireland. Our Queen's Nurses play a huge role in taking forward the work of the Institute and ensuring that our values are embedded into the care they provide for individuals, families and communities. At the same time through the annual donation from the National Garden Scheme, our largest and most long-standing donor, we provide networking opportunities and support to the Queen's Nurse Network both regionally and nationally. We are extremely grateful for the continued support of the National Garden Scheme.

Our Queen's Nurses have also offered shadowing opportunities to Ministers of State and senior officials in government and NHS bodies. Our shadowing scheme links closely with our work from 'Silence to Voice' and offers senior leaders and policy makers a chance to see what excellent practice looks like in community care.

The last year has also seen continued work around Homeless Health and our Standards work with the launch of the QNI / QNIS Standards for Community Children's Nursing Education and Practice. Through our Standards work, we have demonstrated how professional bodies can lead the collaborative development of educational standards across all four UK countries.

This year also saw the completion of the Burdett Trust for Nursing funded Men's Health innovation projects, which produced ten innovative projects that showed fantastic outcomes for patients and which could be replicated across community and public health services.

Our vital grants programme and Keep in Touch project provided timely and much appreciated support to retired community nurses.

Finally, I would like to pay tribute to the outstanding work of the QNI team of staff and Trustees without whom none of this would be possible. Our Chief Executive Dr Crystal Oldman CBE leads an excellent and highly committed team of staff, all of whom go above and beyond to deliver our extensive and growing programme of work. A huge thank you is also due to Trustees, Fellows and our large number of volunteers who so generously offer their time, commitment and expertise to ensuring that the QNI continues to drive the development of community nursing. As Florence Nightingale herself stated, *'The good of an organisation depends on every individual who is in it. School, hospital, coffee-rooms, institutions, district nursing must depend on the living life and love which are put into them.'*

Dr John Unsworth QN
Chair of Council



Above: The 4 CNOs: Professor Viv Bennett CBE; Professor Jean White CBE; Professor Charlotte McArdle; Dr Ruth May and Dr Crystal Oldman CBE at the QNI's Annual Conference 2018

Report of the Council

The Council presents its report together with the accounts of The Queen's Nursing Institute (QNI) for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out on pages 32 to 37 of the attached accounts and comply with the charity's Royal Charter, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and Activities

The Queen's Nursing Institute operates in England, Wales and Northern Ireland.

The Queen's Nursing Institute is an independent national charity that is dedicated to improving the nursing care of people in their communities and homes.

Our vision is that all people are provided with the best possible nursing care by the right nurse with the right skills in homes and communities, whenever and wherever it is needed.

The values provide the foundation for our work. They reflect the principles on which the QNI was first established by William Rathbone and Florence Nightingale in 1887.

Values

- ✚ Partnership: with people, patients, organisations and policy makers, ensuring individuals, families, carers and communities are at the heart of all we do.
- ✚ Integrity: living the values and seeing equality and diversity as strengths.
- ✚ Excellence: in nursing, supported by innovation and evidence.
- ✚ Independence: using evidence and insight to provide an independent voice.
- ✚ Advocacy: recognising the contribution of all community nurses.
- ✚ Legacy: cherishing the history of the QNI and our long-standing relationship with funders.

Public Benefit

In setting and supporting the QNI's strategy and business plan, the members of Council continue to give careful consideration to the Charity Commission's general guidance on public benefit.

Strategic Plan 2017-2020

The goals of the QNI were reviewed in 2016 and a new strategic plan developed comprising six goals, highlighting our plans for future periods: <https://www.qni.org.uk/wp-content/uploads/2017/01/QNI-Strategic-Plan-2017-2020.pdf>



Goal 1: Policy Influence and Development: To improve the health and wellbeing of patients, families, carers and communities by influencing policy at local and national levels.

Goal 2: Data and Evidence: To provide independent intelligence about nursing in the community and primary care in a timely and responsive manner.

Goal 3: Standards: To act as a recognised authority in setting national standards for community nurse education and practice that are accepted within the profession and by service providers.

Goal 4: Role Models/Leaders: To develop, promote and support excellent nurse leaders and role models in the community who can improve services for communities at system and practice levels.

Goal 5: Innovation: To improve nursing practice in the community through developing, testing and evaluating innovation with a focus on technology.

Goal 6: Support for Nurses: To provide dedicated support for the wellbeing of community nurses when facing a personal crisis in their lives.

Organisational Development

In delivering the six goals, the QNI will become further established as the leading community nursing charity that is recognised and valued for its expertise in influencing policy, providing valuable intelligence to the sector, supporting innovation, developing professional standards and supporting nurses and leaders.

In order to deliver this strategic plan, the QNI has continued to develop as an agile organisation and continues to seek additional funding. The fundraising plan recognises the significant contribution of existing funders as well as identifying and developing new and sustainable sources of funding.

The Council of QNI provides the expert governance and leadership to ensure the delivery of the strategic plan, developing additional skills as required to support the growth of the QNI in accordance with the plan. Specific activities undertaken to date in order to achieve the objectives of completing the QNI strategy (2017-2020) are set out in 'Achievements and Performance' below.

Achievements and Performance - Impact of Work in 2018

Goal One: Policy Influence and Development

In 2018, the QNI contributed to 22 advisory groups of the arm's length bodies of the Department of Health and Social Care, including Public Health England, NHS England and NHS Improvement – in addition to those of other national and regional organisations. This is seven more groups than the previous year. Five team members regularly contribute to advisory groups and the numbers of requests for support indicate the value of the QNI contribution to policy development.

In the main, the QNI receives no income for this work and as the QNI continues to grow in size and influence, the capacity and resource to provide expert advice is becoming increasingly challenging.

The QNI delivered a successful two-day annual conference attended by 300 delegates on each day of the conference – the maximum number permitted in the venue's auditorium – with 186 attending both days. The conference is well regarded by senior nurses and four Chief Nursing Officers of the three countries covered by the QNI presented during the conference. Suzanne Gordon, international speaker, author and journalist offered a keynote speech on each of the two days. The presentations supported the conference theme of 'Silence to Voice', with messages about learning how to articulate your value as a registered nurse. More than eighteen months later, delegates are still referring to their learning about this at the conference.



Above: Queen's Nurses at Frogmore Gardens

The QNI annual conference is firmly established in the sector and continues to be sought after by nurses and journalists alike. A clear indicator of this is the high number of bookings that are made before a programme is published. It provides an opportunity for nurses in a wide range of roles and levels of seniority in community and primary care settings to engage with senior influencers in the sector, to network and to share and learn about innovations in practice. Posters are an established element of the conference; nurses compete to have their poster displayed and prizes are awarded for the most effective practice innovation with the clearest messaging.

“ I went back to work buzzing and enthusiastic, it will have a positive impact on my practice. Thank you, best conference I have been to in years.

Delegate feedback from 2018 QNI Conference

Goal 2: Data and Evidence

In 2016, the QNI published a national report on General Practice Nursing (GPN), based on a survey of more than 3,400 nurses working in general practice. The evidence and recommendations within the report were used as a basis for the General Practice Nurse 10-point plan published by NHS England, Public Health England and Health Education England in July 2017. The work of the QNI is referenced throughout and the 10 actions reflect many of the QNI recommendations.

This is a very clear example of the data and evidence published by the QNI directly influencing government policy and supporting best care for patients, families, carers and communities.

Throughout 2018, the QNI contributed as a member of the four regional delivery boards of the GPN 10-point plan. The QNI was successful in a bid to NHSE to establish an Association of Academic General Practice Educators (AAGPNE) to support the development of consistent standards of education for GPNs at all levels in practice. Two meetings of the AAGPNE have now taken place and much sharing, learning and ongoing peer support has been established. Feedback from AAGPNE members requesting more frequent meetings is a good indicator of its growing success and the benefits to members.

As part of the work to support GPN Educators, a website is being created which will facilitate learning and sharing of best practice in GPN education.

In 2018, the QNI published the fifth annual District Nurse education audit which details the numbers of District Nurses (DN) undergoing their Specialist Practice Qualification (SPQ). The review of five years of data provides a clear picture of the state of District Nurse education and the challenges ahead as the number of DNs qualifying each year has now plateaued and there remains uncertainty about the future funding of the programme: <https://www.qni.org.uk/wp-content/uploads/2018/09/DN-Education-Report-2016-17.pdf>

Goal 3: Standards

The QNI is recognised as an organisation which provides, in partnership with the Queen's Nursing Institute Scotland (QNIS), high quality voluntary standards for practice and education to support the development and delivery of specialist practice community nursing programmes: <https://www.nmc.org.uk/standards/standards-for-post-registration/standards-for-specialist-education-and-practice/>

In 2015, the QNI/QNIS voluntary standards for education and practice were published for District Nursing and in 2017 the voluntary standards for General Practice Nurse education and practice were published.



Feedback from universities and practice is excellent, with the majority of education providers mapping their programmes to the QNI/QNIS standards and providing a consistency of education to reflect the expectations of the modern day specialist practitioner.

In September 2018, the QNI/QNIS voluntary standards for education and practice of Community Children's Nursing (CCN) were published, following a year of engagement with service users and their families, service providers, specialist practitioners and educationalists. The feedback has again been overwhelmingly positive, reflecting the meaningful and considered engagement with all stakeholders, resulting in standards which support and reflect the expectations of modern day practice.

In recognition of the QNI's expertise in creating standards for education and practice, in 2018 the QNI was commissioned by NHSE to develop standards for the Foundation Programmes in General Practice Nursing in England. The work started in September 2018 and the standards are expected to be published in October 2019.

Skills for Care also invited the QNI to participate in their work creating standards for the role of the Registered Nurses working in a Care Home. A small payment was made for this work, which will be published in 2019.

Goal 4: Role Models/Leaders

The QNI benefited in 2018 from a generous grant from the National Garden Scheme (NGS) to continue the work of the QNI to support an increasing number of Queen's Nurses (QN).

The grant enabled an increase in the number of nurses awarded the title of Queen's Nurse by 132 to 1,183 on the active QN register (79 are on the retired QN register). The grant enables Queen's Nurses to be supported by the QNI to deliver best practice for patients, families, carers and communities with the development of their skills, knowledge and competence, through opportunities for continuing professional development (CPD).

The CPD offered in 2018 included an annual QN meeting at RCGP for 200 QNs, a discounted place at the annual QNI conference, an opportunity to network at the annual opening of Frogmore for the NGS and regional QN meetings throughout the year. In addition, the QNs are provided with a regular newsletter which includes opportunities for free professional development opportunities offered by other organisations such as NHSE.

In 2018 the QNI also supported Queen's Nurses to make a significant contribution to national work, including involvement in national consultations, advisory and focus groups and facilitating shadowing opportunities by senior policy and decision makers.

“ Thank you for organising a brilliant event. I found it very interesting and enjoyed networking with other QNs.

QN Delegate at QN Meeting

The first cohort of the Queen's Nurse aspiring leadership development programme completed in April 2018. Funded by releasing funds from the growth in the expendable endowment, a selected group of 12 Queen's Nurses who had demonstrated the potential for an executive nurse position in the future underwent the year long development programme. The QNs, with a wide variety of specialist backgrounds in England, Northern Ireland and Wales were supported 1:1 by mentors who are Fellows or Council members of the QNI. Of the 12 who completed in April 2018, six had moved to a more senior and more responsible role by the end of the programme, citing their learning on the leadership development as contributing significantly to their successful promotion.



Above: The first cohort of the Queen's Nurse aspiring leadership development programme.

“ I was inspired to see first hand the challenging, rewarding and vital work of district nurses, supporting people in our communities.

Caroline Dinenage MP, Minister of State for Care, shadowing Queen's Nurse Liz Alderton

The programme was independently evaluated by Dr Roger Dalrymple, Principal Lecturer, Oxford Brookes University, and the report confirmed the overall success of the programme for all 12 participants:<https://www.qni.org.uk/wp-content/uploads/2018/11/QNI-Leadership-Programme-Evaluation-Sept-2018.pdf>

In May 2018, the second funded cohort of the programme commenced with 16 participants and there is every indication that these Queen's Nurses will be as successful as the first cohort.

The QNI is developing a plan to offer the programme as a fee-paying leadership development programme from October 2019.

In 2017, the National Garden Scheme (NGS) provided the QNI with a restricted grant, in recognition of the 130th anniversary of its foundation and the NGS' 90th anniversary. The grant of £125K was provided specifically to support the development of Queen's Nurses working at an executive level who wish to move to a more senior post in the future. There is a vision which the QNI shares with the NGS that future Chief Nurses at regional and national levels will be Queen's Nurses, with a deep level of understanding of nursing in the community and excellent strategic leadership skills.

“ This course is definitely a course that gets under your skin, in the best way possible. You learn about how to be a better leader, and how to become a better nurse. It has been such a privilege to be part of it. Thank you for the opportunity.

Queen's Nurse on Aspiring Leader programme

The QNI partnered with the Leadership Trust to develop a bespoke programme which was co-delivered as a residential programme over an 11-month period. Twelve executive level Queen's Nurses completed the programme in September 2018 and the feedback has been excellent, with many identifying the leadership programme as a catalyst for their change of post to a more senior role or a more effective way of working in an existing post. All 12 were mentored by Fellows or Trustees throughout the programme.

The second cohort of 18 QNs commenced the programme in November 2018 which, following feedback from cohort one participants regarding the length of the programme, was delivered over a five-month period.

“ You cannot describe this programme until you have undertaken it and been part of this incredible journey with inspirational Queen's Nurses and the QNI. It's revitalised me as a nurse made me look at things very differently. I do hope in the future other Queen's Nurses can benefit from a similar opportunity.

Queen's Nurse who completed Leadership Programme



The programme will become a fee paying leadership development programme, to be delivered in 2019/20. There has been positive feedback with regard to the proposed fee level and a list of enquirers who wish to apply has been established.

In support of executive level nurses in community provider organisations, large care home and hospice providers, the QNI has continued to support the Community Nursing Executive Network (CNEN). The network was launched in 2016 and is now established as a valuable way of sharing and supporting amongst peers. The CNEN membership has continued to grow over the year, from 130 to 138 and provides an opportunity for members to meet, share and learn about good practice, challenges and solutions in community nursing services.

CNEN is also a valuable network with which senior nurses in the system can engage and gather intelligence to inform policy. In 2018 the QNI received requests to engage with CNEN members from senior leaders and policy makers seeking to understand the impact of a proposed financial incentive scheme to increase the recruitment of District Nurses.

In 2018, the two meetings of CNEN members focussed on 'What good looks like in community services' and 'Strategic challenges and solutions in community services' – topics identified by the members as the most relevant for their leadership positions. The feedback on the impact of membership is positive, with increasing numbers of executive nurses and their deputies choosing to join the network, attend meetings and actively participate in the dialogue with senior level presenters.

During 2018, the QNI sought commercial sponsorship of the network as an alternative to introducing a membership fee and this sponsorship is on track to be secured in 2019.

“ It was an informative, thought provoking day for me. All presentations were very good and I have many questions to take back to the DN team and their managers. ”
CNEN member after the CNEN event

Goal 5: Innovation

Frontline Innovation Projects

In 2017 the QNI secured funding from the Burdett Trust for Nursing for 10 innovation projects themed around 'Men's Health'. These were delivered in 2017, with final completion in January 2018 and were led by frontline community and primary care nurses and supported by the Director of Programmes.

The impact of these diverse projects has been summarised in the document: <https://www.qni.org.uk/wp-content/uploads/2018/09/Mens-Health-Report-2018-1.pdf>

Homeless Health Programme

In May 2018, the QNI commenced delivery of the second year of the three-year Oak Foundation matched funded work to support Homeless Health practitioners. The Oak Foundation funding has been matched by QNI funding from the growth in Endowment.

In 2018, the Homeless Health programme provided three learning events: 'Improving Health through Innovation: Better Care for People who are homeless' in Bristol; 'Health at the Margins' in London and 'How can contemporary nurses deliver person-centred care?' in Salford. A total of 184 delegates participated in the events for which excellent feedback was received.

Presentations from the events were made available on the QNI website in order to reach and influence the learning and practice of a wider audience: www.qni.org.uk/explore-qni/homeless-health-programme. The online learning resources for homeless health nurses continue to be accessed by individuals. For example, the 'Transition to Homeless Health Nursing' resource has been viewed 1,965 times (2017 - 1,978), and the Homeless Health Assessment Tool has been accessed on 3,834 occasions.



Above: Kendra Schneller, a Nurse Practitioner who works with people experiencing homelessness, with a client.

“ This event has completely changed the way I think about homelessness. It has challenged me, and this will impact on my role as a nurse but also in the rest of my life. Delegate at Homeless Health event, ‘Health at the Margins’ in London

The membership of the Homeless Health Practitioner Network was refreshed following the implementation of the new data protection regulations in May 2019, with all members requested to ‘opt in’ to remaining on the network. As a consequence, there are now 450 fewer members at 1,062. Members are provided with newsletters with policy, research and practice updates and the reduced number reflects a fully engaged group of practitioners.

Grant funding from the Oak Foundation (May 2017 to April 2020), matched by funding from the QNI expendable endowment, enabled the QNI to continue to support practitioners working with people who are homeless to deliver excellent nursing care and for the QNI to contribute to the related policy development with Public Health England and others.

Included in the 2018 funding was the support of 10 innovation projects for nurses working in homeless health services. Ten project leaders were supported to develop their idea for improving the health of vulnerable people over a year long programme of development. There have been some excellent successes, for example, a new service for supporting rough sleepers was tested and developed over the year and it is now fully funded as a commissioned service.

“ I am so grateful for the opportunity and the experience I have gained. I would not have had the opportunity to develop and grow without the project.
Project leader

**Goal 6: Support for Nurses
Financial Support**

The QNI awarded education grants in 2018 that have benefited 18 nurses in the completion of their development programmes to advance their knowledge and skills in community and primary care nursing roles. This QNI function is likely to be in increasing demand as the funding of continuing professional development for nurses working in the NHS in England was reduced again for 2018 by the Department of Health and Social Care.

The QNI provided a financial grant for 96 nurses (2017 - 90) in financial difficulty and suffering financial hardship, several of whom were helped to return to the workforce. The number of nurses receiving regular grants remains stable at 26 (2017 - 25). The difference that the QNI funding makes to the nurses who are experiencing often complex and challenging situations is significant, with many reporting directly to the Grants Manager that the QNI funding has been a lifeline when they were at their most vulnerable.

“ Thank you so much... this means a great deal to me. I will now be able to go to do the job I love without the stress of financial worries; it will take such a lot of pressure away and give me a new start.’
Grant recipient



'Keep in Touch' Programme

In 2018, the QNI operated its second year of a new service to combat loneliness and social isolation in older, retired Queen's Nurses, many of whom were known to the QNI through the Grants programme. Named the 'Keep in Touch' programme, this has been funded by a legacy from a retired Queen's Nurse. To date, 33 volunteers have been 'matched' from the current Queen's Nurses to a beneficiary of the service and are providing a telephone befriending service either weekly or fortnightly. In total there are 46 beneficiaries of the service, with 12 supported by the 'Keep in Touch' programme manager.

The service has been evaluated extremely positively, with excellent feedback from both the retired Queen's Nurses and the volunteer befrienders. Annual mentor/befriender days were held on two Saturdays in November 2018, with more than 25 attendees across the two days. The sharing of experiences and challenges from the days provided the QNI 'Keep in Touch' team and the Chief Executive with feedback to further enhance and build the support and guidance offered to the mentors as part of the support programme.

“ It is a pleasure volunteering with the brilliant QNI team, so supportive and provides me with interesting discussion topics for my undergraduate nurses.

KIT Volunteer

Organisational Development

During 2018, the QNI was invited by Pilotlight to work with a team of six senior professionals at Barclays Bank as part of its 'Unlocking Insights' programme, to examine one aspect of the QNI's development that had been identified as part of the work with Barclays in 2017.

In November 2017, the Barclays project team recommended the development of commercial partnerships and the production of data and evidence. The QNI selected the production of data and evidence to be explored further by the Barclays team, and this project concluded with a recommendation to develop an enhanced function at the QNI to produce data and intelligence to inform policy relevant to the QNI goals.

The Barclays team and the Pilotlight project manager have been exceptional in terms of the commitment and interest in the development of the QNI. The Barclays team leader has continued to keep in regular contact with the Chief Executive as the proposal and business case for the development of the 'Data and Intelligence' function have been developed and the Barclays team and Pilotlight project manager have twice met with a number of staff and members of Council of the QNI in support of implementation of their recommendations.

The Role and Contribution of Volunteers

In delivering our achievements, the QNI has been supported by a wide range of volunteers, a group which is growing in number year-on-year in support of many strands of work. The QNI would like to thank all volunteers for their significant contribution to the work of the charity throughout 2018.

All members of Council, project advisory groups, panels which review awards and grant applications, mentors supporting the 'Keep in Touch' programme, QNI Fellows supporting the QN Aspiring Leaders and the Executive Nurse Leadership development programmes and those who support policy consultation work are QNI volunteers.

Queen's Nurses continue to contribute to the policy work of the QNI as volunteers when they attend focus groups, Department of Health and Social Care advisory groups and round table discussions for national and arm's length bodies on behalf of the QNI.

Fellows of the QNI continue to contribute to and support the work of the QNI. A Fellows' meeting took place in November 2018, providing an opportunity for networking, meeting new members and to discuss their contribution to the delivery of the QNI strategic plan.



Above: Keep in Touch members and volunteers at the QNI Conference in 2018.

Council members collectively gave more than 800 hours of their time attending meetings, chairing advisory groups and participating in QNI events - and considerably more hours were given in preparing for and taking actions outside Council and Committee meetings.

During 2018, it is estimated that more than 130 individuals made contributions to the work of the QNI, totalling in excess of 2,500 hours.

The QNI is indebted to all its volunteers, including Queen's Nurses, Fellows, Advisory Group members, 'Keep in Touch' mentors, grants advisors, the Barclays team, Pilotlight and other stakeholders for their expertise and dedication to the increasingly diverse work of the QNI and their time, which they have so generously given over the last year.

Key Financial Policies of the QNI

Grant Making Policies

Innovation Funding Programme

The QNI makes awards to support individual projects run by community nurses. The projects are selected on a competitive basis; those selected demonstrate the greatest innovation and potential impact on patient care in the community. The projects run for a year and the scheme offers a professional development programme for the project leaders in addition to the financial assistance to enable project delivery. The opportunity is dependent on funding being received to support the programme and when available, details of the programme and the application process are set out on the QNI website at www.qni.org.uk.

Grants

The QNI provides financial assistance to Queen's Nurses (nurses working in the community who were trained by the QNI prior to 1967) and nurses who have worked or who are currently working in the community or primary care environment.

The majority of the beneficiaries are nurses who are no longer able to work because of illness, age or disability. Applications are accepted from nurses, their friends, family or professionals and voluntary organisations supporting them (with the applicant's consent). An application form detailing eligibility, health and housing status, income, savings and expenditure must be completed, together with a description of what is being sought. This information is checked by staff before being presented to the welfare advisors for consideration. Information on other relevant charities that may be able to assist in their case is also supplied to successful and unsuccessful applicants.

There have been three grants advisors in 2018: Michael Cooper (Council member), Sally Hawksworth (QNI Fellow and Respiratory Nurse Specialist) and Sue Talbot (QNI Fellow and service commissioner). Applications for grants are considered by the three Grants Advisors.

The QNI will consider all types of applications for single grants. In some cases assistance is provided in the form of regular grants and on-going gifts from year to year. The gifts are dependent on the availability of funds and are not regarded as a regular commitment.

A system of random audits of a sample of the QNI's grants records forms part of the internal financial controls each year to safeguard against fraudulent claims or administration of applications. Such an audit was conducted in the summer of 2018 by Sue Talbot, Grants Advisor, with a satisfactory outcome which was reported to Council.



Investment Policy

In keeping with charity law, the QNI's investment strategy aims to maximise income and capital, within acceptable levels of risk.

In addition, the Council members may, from time to time, wish to impose constraints of an ethical nature on the investment managers although it is recognised that the more restrictive these are, the less likely it is that the performance will be satisfactory. Currently, the only ethical constraint is that the fund should not invest in any companies which derive a significant part of their revenue directly from the manufacture or sale of tobacco-related products.

The Council reviewed this policy in 2014 and again in 2017 with assistance from the investment managers; it was determined that the policy remained valid and no changes were needed.

The Council is mindful that the QNI's investment strategy gave rise to gains on investment assets in earlier years, which were significantly higher than the rate of inflation. At its meeting in May 2007 the Council of the QNI agreed to seek approval from the Privy Council and from the Charity Commission to adopt a total return approach to managing the QNI's endowed funds. A Supplemental Charter giving members of Council the power to revise the QNI's investment strategy was granted by the Privy Council on 11 June 2008. This was followed on 19 November 2008 by the Charity Commission's Order under Section 105 of the Charities Act 2011 allowing the adoption of a total return approach to investment management.

With effect from 1 July 2016, the permanent endowment funds were reclassified as expendable endowment funds, following a resolution by Council in June 2016, which followed Charity Commission approval. The expendable endowment funds represent amounts held as capital until such time as members of Council decide to expend them subject to self-imposed conditions. Whilst held as capital, the funds generate income which is regarded as unrestricted.

The QNI's investments are managed by Rathbone Investment Management Limited, which operates within guidelines set by the Council and the fund manager meets with the Finance and General Purposes Committee twice a year.

The QNI investments are reviewed monthly by the Finance Manager and the Honorary Treasurer. The performance of the investments is considered to be satisfactory both in terms of capital and investment.

Reserves Policy

Members of Council have carried out their annual assessment of the level of the QNI's reserves, taking into consideration the QNI's working capital requirements and liquidity needs, the future expansion of its work (see note 21 for full details), and a contingency provision. They are also mindful of the QNI's responsibility to honour the investment made by partners and award winners in award schemes and other professional development initiatives that extend for more than one year.

In 2015, it was agreed that the recommendations made by the Finance and General Purposes Committee, and agreed by Council, regarding the reserves policy and the use of expendable endowment should be 'codified' in a financial strategy to align with the QNI strategy (2017-2020).

The principles upon which the financial strategy is based include:

1. The expendable endowment fund should be preserved at a level which ensures the generation of income sufficient to cover a level of core costs, such as the lease and service charge costs, and so enable the long-term viability of the QNI.
2. The proceeds from the disposal in 2013 of the QNI's freehold building in Albemarle Way, London will be retained within the expendable endowment fund to provide for the possibility that another building purchase may be required at the end of the current lease (2040), or at any of the five year breaks



Above: Chair, Dr John Unsworth, Dora Roylance winner and Health Visitor student, Gloria Ever Chishanga and Dr Crystal Oldman CBE, the QNI's CEO at the 2018 Awards Ceremony.

commencing in 2020 in the QNI's current lease. In 2018, it was agreed that the amount to be so retained would be calculated to be equal to 17% of the current value of the expendable endowment fund.

3. The level at which the expendable endowment is to be preserved over and above the level required in 1. and 2. above will be determined by Council year on year.
4. The expenditure of the restricted District Nurses 1965 Fund (welfare) will be reviewed annually in the context of the distribution of financial assistance currently being greater than the annual investment income.
5. Council will determine each year the levels of expendable endowment fund needing to be transferred to general funds, if any, to be used to support QNI activity.

Given the growth in the expendable endowment in 2014 and 2015 as a result of investment gains, and in the light of the ambitions of the QNI, Council agreed in May 2015 to invest up to £800,000 over a four-year period (2015-2018) on extended activities. The intention was that this investment was to be funded, in full or in part (as necessary), by transfers from the expendable endowment fund. Since 2015, expenditure on the planned extended activities has continued, with progress being reported to Council quarterly, although the timeframe for the expenditure has been extended to 2020 to enable all elements to complete. To date, it has been possible to fund the investment from general funds alone with no transfer being required from the expendable endowment fund. However, it is anticipated that a transfer will be required in 2019 in order to cover the planned investment into the 'Data and Intelligence' function mentioned under 'Organisational Development' above.

Members of Council have determined that the level of unrestricted reserves held should equal between six and nine months' unrestricted expenditure. Unrestricted reserves at 31 December 2018 represented 8 months of projected unrestricted expenditure for 2019 and thus they are within the above policy range.

Financial Review

Net Position before Transfers and Investment Gains/Losses

The financial year resulted in net expenditure of £265,234 (2017 - £325,217). This comprised net expenditure on unrestricted funds of £138,214 (2017 - £128,508), on restricted funds of £127,020 (2017 - £196,709) and net income on endowment funds of £nil (2017- £ nil).

Income

Income for the year totalled £1,051,142 (2017 - £1,003,547), 4.7% higher than 2017. Income from donations and legacies was £307,073 (2017 - £278,009) an increase of 10.5%, and income from charitable activities was £396,584 (2017 - £392,013), an increase of 1.2%.

Income of £296,673 (2017 - £322,585) on restricted funds includes funding for a number of projects which will continue into 2019.

Investment income and interest receivable was £347,485 (2017 - £335,525) for the year and this continues to provide an essential element of the QNI's core funding.



Expenditure

Expenditure for 2018 totalled £1,316,376 (2017 - £1,328,764), a decrease of 0.9% on 2017.

Expenditure on influencing policy and practice was £268,622 in 2018 (2017 - £224,762) reflecting the increased investment being made in this strategic goal.

£701,341 (2017 - £779,915) was spent on working with community nurses through award schemes and various special interest groups. The change in expenditure reflects a larger expenditure on projects being delivered in 2017 compared to 2018.

Spending on providing welfare and educational support was £169,969 (2017 - £173,837) in the year. In addition, £39,598 was spent on the 'Keep in Touch' programme (2017 - £35,583). This reflects the continuing policy of Council to ensure that the QNI's restricted welfare reserves do not accumulate to the detriment of nurses in need.

Investments

The QNI's portfolio of investments and cash held for investment had a market value at 31 December 2018 of £9,979,620 (2017 - £11,048,712). Income from the portfolio for the year was £347,267 (2017 - £333,352), and net investment losses were £707,521 (2017 – gains of £892,599). QNI adopts a managed fund policy resulting in net investment lower than those experienced in stock markets generally, but also reflect the falls in investment value in December 2018 in particular.

Revaluation gains on heritage assets. During the year, QNI discovered a piece of original artwork by Florence Nightingale, which had been given to it many years ago. Following further investigation, the value of the artwork was determined using professional advice and it has now been recognised in the attached accounts as a heritage asset at its estimated value of £70,000.

Reserves

At the year end, the charity held 'free reserves' of £408,636.

Structure, Governance and Management

Governing Document

The QNI is registered as a charity under the Charities Act 2011 and operates in England, Wales and Northern Ireland. It was founded in 1887 and was granted its Royal Charter in 1889. Supplemental Charters have been granted in 1904, 1928, 1958, 1973 and 2008. Under the Charters, the members of Council (i.e. the Trustees) are incorporated as a body.

Council Members

There are 13 Trustees, some with clinical backgrounds and others with expertise in business, finance and management of national charities of varying sizes.

There have been a number of changes in Council membership over the last year:

In March 2018, Kate Billingham, Chair of Trustees completed her term of office and retired from Council.

In March 2018, Nicola Walsh retired from Council after twelve years as a Council member.

In September 2018, Liz Perkins retired from Council having served her maximum term of office.

The QNI is extremely grateful to all Trustees who retired from Council in 2018 for their commitment to the work of the Council and the expert advice provided so generously over many years.

QNI Chair, Kate Billingham was a member of Council for ten years and since 2012, served as Chair of



Above: QNI Trustees, Staff and Queen's Nurses at the reception for the NHS' 70th anniversary at Buckingham Palace in 2018.

Council. Kate Billingham provided excellent leadership of Council for more than 5 years and left a legacy of expert governance which QNI Council will continue to build upon.

Recruitment and Appointment of Council Members

Under the constitution of the QNI, the Patron may nominate and appoint up to four persons who act as ex-officio members of the Council. All other members of Council are nominated by existing Council members or recruited through agreed procedures before being approved by the Patron.

Following a recruitment process, Dr John Unsworth was appointed Chair of the QNI and took up the role formally at the Council meeting in March 2018. Dr Unsworth is the first Queen's Nurse to chair the QNI and has been a member of Council of QNI since 2010: <https://www.qni.org.uk/people/dr-john-unsworth/>

Each year, the QNI Chair undertakes 1:1 interviews with each of the members of Council and discusses their individual contribution to Council and any feedback they have on the development and the governance of the QNI. This is also an opportunity to review and gaps in the skills and expertise of Council in relation to the ongoing development of the QNI.

Induction and Training of Council Members

All new Council members are supplied with the Council members' handbook as well as relevant papers, policies and publications from the QNI.

New members of Council are invited to meet the QNI staff informally. A few months after their appointment, the Chair meets with them to seek their views on the QNI in general and Council in particular. New members of Council are also encouraged to visit the QNI's offices to meet individual staff members and find out more about specific areas of work.

Wherever possible, members of Council also have an opportunity to meet with employees of the QNI before and after meetings of the Finance & General Purposes Committee (F&GP) and Council.

Council members are encouraged to attend induction and updating events as appropriate.

On occasion, experienced members of Council are invited to participate in operational aspects of the QNI. In 2018, this has included recruitment to the Director of Nursing Programmes post.

Organisational Structure

The QNI is governed by the Council, the members of which are trustees for the purposes of the Charities Act 2011. Council meets quarterly, in March, June, September and December. The Terms of Reference of Council are: to ensure that the QNI operates at all times within the requirements of its Royal Charter and Charity Commission guidelines; to agree a long-term strategy and one year budget and business plan for the QNI that will ensure it meets its obligations and charitable objectives, and to monitor their implementation; to receive reports from, and ratify or amend decisions referred by, the F&GP; and to oversee the work of the QNI's Chief Executive and staff.

The Terms of Reference of Council and its committees were reviewed in 2015 and found to be relevant and appropriate. From 2015, Council brought forward by one hour the quarterly meetings in order to include a policy discussion on an issue relevant to the work of the charity, occasionally with an invited speaker to share their policy work and to lead a discussion.



In 2018, the Council policy discussions included: “Firm Foundations: Nurses, Fellows & Governance”; “Current context for the work of the International Community Nursing Observatory” with guest presenter Professor Alison Leary and “Outcomes of the QNI funded ‘QN Aspiring Leaders’ programme 2017/18” with guest presenters, Queen’s Nurses Sue Capstick and Deborah Evans.

The Finance & General Purposes committee has oversight of the financial and administrative management of the QNI. F&GP meets quarterly in February, May, August and November. Its Terms of Reference are: to monitor whether the QNI is operating within the legal and financial guidelines set out in current legislation, its own Charter and any financial standing orders; to ensure that adequate financial controls are in place and that the QNI operates within a sound financial framework; to work with and support the Chief Executive and Finance Manager, in order to be satisfied that the financial information presented is comprehensive and accurate; to review, agree and recommend to Council an analysis of risks facing the organisation; to advise Council on the financial implications and risks of the QNI’s strategy and policy objectives; to propose a sum or percentage of payroll available to the Remuneration Committee for annual staff salary increases; to agree and recommend to Council an annual budget; to agree and recommend to Council strategies and activities for fundraising and communications and to discuss and monitor these activities; to investigate on behalf of Council anything of a financial or administrative nature which may adversely affect the QNI’s ability to achieve its objectives; to consider management accounts which report on actual and budgeted income and expenditure, and report thereon to Council; and to be responsible for the appointment and performance of fund managers and auditor.

In the autumn each year, the Remuneration Committee agrees any staff salary increase, normally determined by the September Consumer Price Index, in order that staff salaries keep pace with the cost of living. It also recommends a financial package to cover proposed increases to staff remuneration in the forthcoming year, taking account of the financial circumstances of the QNI, to be put to the F&GP at its Autumn meeting each year; it also agrees the terms and conditions of the Chief Executive for the forthcoming year.

Exceptional meetings of the Remuneration Committee can be requested by the Chief Executive and one such exceptional meeting took place in 2018.

Key Management Personnel

The key management personnel of the QNI, responsible for directing and controlling, running and operating the charity on a day-to-day basis, comprise members of Council together with the Chief Executive, Director of Nursing Programmes, Head of Communications and Finance Manager.

Members of Council do not receive remuneration in respect to their services to the QNI. The remuneration of the key management personal is determined using the same process as that applied for all staff and is described under “Staffing of the QNI” below.

Staffing of the QNI

The Chief Executive has overall responsibility for day to day leadership and operational matters, and reports to Council on a regular basis. The QNI leadership team, comprising the Director of Nursing Programmes, Head of Communications and Finance Manager support the Chief Executive in managing the QNI.

All staff have six monthly performance appraisals against objectives linked to the business plan for the year. The QNI Staff Handbook provides information on internal policies and ways of working to all staff. The Handbook was revised in 2016, in line with new employment legislation, with support from the QNI solicitors, Russell-Cooke and is updated annually in accordance with any changes of legislation and examples from the charitable sector of best practice in people management.

When advertised, the salaries of all staff, including key management posts, are determined by the guidance of agreed QNI bands for the various levels of post, such as administrator, project manager and the leadership team.



Above: Queen's Nurse Liz Alderton attending a patient

Fundraising

The QNI does not employ a professional fundraiser. Bids or project grants are developed and submitted by the Chief Executive with support from key members of the team including the Finance Manager, the Director of Nursing Programmes and the Programme Manager.

Sponsorship opportunities for QNI activities are explored as appropriate and Hallam Medical is a regular sponsor of the Community Nurse Executive Network (CNEN) and the reception at the QNI annual conference.

The QNI does not seek to raise funds from the public. In 2018, Queen's Nurses were asked if they might become regular donors with small monthly donations and this initiative now raises around £5K per year to support the Queen's Nurse programme.

The QNI has received no complaints about this or any other approach to fundraising.

Risk Management

The major risks to which the QNI is exposed, arising from its own work and from external contingencies, are reviewed regularly by F&GP and Council, and systems or procedures are in place to manage, and where possible mitigate, those risks.

The QNI's risk register is maintained by the Chief Executive and Office Manager.

Examples of the key risks faced by the QNI and their mitigation is provided below:

1. People

Risk: "Insufficient remuneration leads to staff leaving."

Mitigation: The QNI has a Remuneration Committee that annually reviews salary and other terms and conditions of service. The Chief Executive is responsible for providing information regarding all aspects of salary and performance to this committee, including the nature of competitiveness within the market. The Chief Executive is also able to request extraordinary meetings of the remuneration committee to discuss specific concerns.

In November 2018 the Chief Executive commissioned Korn Ferry to undertake a job sizing exercise for all employees of the QNI. In February 2019, this resulted in agreement and assurance by the remuneration committee that all salary levels now reflect the QNI norm for the roles.

2. Business Continuity: Data Protection and Information Governance

Risk: "Breach of the Data Protection Act (DPA)/General Data Protection Regulations (GDPR)."

Mitigation: The Office Manager is the lead for compliance with GDPR and information governance (IG) and is up to date with the latest guidance.

In preparation for the implementation of the new General Data Protection Regulations in May 2018, the Office Manager led the work to ensure that the QNI was prepared and compliant.

This involved contacting every person on the QNI database to ensure consent to remain on the database and also ensuring that every member of the team is familiar with and compliant with GDPR.



3. Queen's Nurses

Risk: "Queen's Nurse misconduct creates reputational risk to the QNI."

Mitigation: There are robust processes in place for the application - which is supported by two independent sources, including patients, peers and line managers – and the assessment process.

Queen's Nurses (QNs) are required to revalidate with the QNI every year and if they fail to do so, their names are removed from the QN register.

All QNs sign an agreement to inform the QNI immediately of any potential professional misconduct issue. There is a misconduct process in place which may result in the removal of the title of QN.

4. Financial

Risk: "The charity's investments fall significantly in value."

Mitigation: The QNI commissions professional investment managers with delegated powers and the investment manager appointment is reviewed every three years.

The charity has a written investment policy which is agreed by the Council and communicated to the investment managers; this policy is reviewed by F&GP annually.

The investment manager attends the F&GP meeting twice yearly, to formally report investment performance. The performance is additionally monitored by the Finance Manager and the Honorary Treasurer throughout the year against the investment policy and against market averages.

The Council's Responsibilities Statement

The Council is responsible for preparing the Report of the Council and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) Charity law and the QNI's Royal Charter require the Council to prepare the accounts of the QNI for each financial year which give a true and fair view of the state of affairs of the QNI and of its income and expenditure for that period. In preparing accounts giving a true and fair view, the Council should:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the QNI will continue in operation.

The members of the Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Council: John Unsworth

Chair of Council: Dr John Unsworth

Date: 19 June 2019



Above: Delegates at a QNI event

Independent Auditor's Report to the Members of the Council of The Queen's Nursing Institute

Opinion

We have audited the accounts of The Queen's Nursing Institute (the 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of 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 Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the use of the going concern basis of accounting by the members of Council in the preparation of the accounts is not appropriate; or
- the members of Council have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other Information

The members of Council are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether



there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Council is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Members of Council

As explained more fully in the Council's responsibilities statement, the members of Council are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the members of Council determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the members of Council are responsible for assessing the charity'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 members of Council either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts. A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the members of Council, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the members of Council 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 members of Council as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Date: 9 July 2019

Statement of Financial Activities Year to 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds* £
Income and endowments from:						
Donations and legacies	1	304,630	2,443	—	307,073	278,009
Investment income and interest receivable	2	300,986	46,499	—	347,485	333,525
Charitable activities	3	148,853	247,731	—	396,584	392,013
Total income		754,469	296,673	—	1,051,142	1,003,547
Expenditure on:						
Raising funds						
. Costs of generating grants and donations	4(a)	86,559	—	—	86,559	63,410
. Management of investments	4(b)	43,750	6,537	—	50,287	51,257
Total expenditure on raising funds		130,309	6,537	—	136,846	114,667
Charitable activities						
. Influencing policy and practice	5	268,622	—	—	268,622	224,762
. Championing best nursing practice	5	493,752	207,589	—	701,341	779,915
. Providing welfare support	5	—	158,716	—	158,716	161,116
. Providing educational support	5	—	11,253	—	11,253	12,721
. Keep in touch	5	—	39,598	—	39,598	35,583
Total expenditure on charitable activities		762,374	417,156	—	1,179,530	1,214,097
Total expenditure		892,683	423,693	—	1,316,376	1,328,764
Net expenditure before investment losses (gains)		(138,214)	(127,020)	—	(265,234)	(325,217)
Net (losses) gains on investment assets		(45,185)	(94,181)	(568,155)	(707,521)	892,599
Net (expenditure) income before transfers		(183,399)	(221,201)	(568,155)	(972,755)	567,382
Transfer between funds	20	(374)	374	—	—	—
		(183,773)	(220,827)	(568,155)	(972,755)	567,382
Other recognised gains:						
. Revaluation gains on heritage assets	14	70,000	—	—	70,000	—
Net movement in funds	8	(113,773)	(220,827)	(568,155)	(902,755)	567,382
Reconciliation of funds:						
Funds brought forward at 1 January 2018		707,384	1,523,457	8,839,467	11,070,308	10,502,926
Funds carried forward at 31 December 2018		593,611	1,302,630	8,271,312	10,167,553	11,070,308

All of the financial activities of the QNI during the above two financial years derived from continuing operations.

*A full comparative statement of financial activities for the year to 31 December 2017 is given on page 25.

Statement of Financial Activities Year to 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £
Income and endowments from:					
Donations and legacies	1	276,375	1,634	—	278,009
Investment income and interest receivable	2	284,870	48,655	—	333,525
Charitable activities	3	119,717	272,296	—	392,013
Total income		680,962	322,585	—	1,003,547
Expenditure on:					
Raising funds					
Costs of generating grants and donations					
	4(a)	63,410	—	—	63,410
Management of investments	4(b)	43,568	7,689	—	51,257
Total expenditure on raising funds		106,978	7,689	—	114,667
Charitable activities					
. Influencing policy and practice	5	224,762	—	—	224,762
. Championing best nursing practice	5	436,195	343,720	—	779,915
. Providing welfare support	5	32,418	128,698	—	161,116
. Providing educational support	5	2,444	10,277	—	12,721
. Keep in touch	5	6,673	28,910	—	35,583
Total expenditure on charitable activities		702,492	511,605	—	1,214,097
Total expenditure		809,470	519,294	—	1,328,764
Net expenditure before investment gains		(128,508)	(196,709)	—	(325,217)
Net gains on investment assets		86,923	142,740	662,936	892,599
Net (expenditure) income before transfers		(41,585)	(53,969)	662,936	567,382
Transfers between funds	20	—	—	—	—
		(41,585)	(53,969)	662,936	567,382
Other recognised gains:					
. Revaluation gains on heritage assets	14	—	—	—	—
Net movement in funds	8	(41,585)	(53,969)	662,936	567,382
Reconciliation of funds:					
Funds brought forward at 1 January 2017		748,969	1,577,426	8,176,531	10,502,926
Funds carried forward at 31 December 2017		707,384	1,523,457	8,839,467	11,070,308

Balance Sheet 31 December 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	13		26,080		40,164
Heritage assets	14		70,000		—
Investments	15		9,979,620		11,048,712
Total fixed assets			10,075,700		11,088,876
Current assets					
Debtors	16	129,130		73,963	
Cash at bank and in hand		232,145		96,141	
		361,275		170,104	
Creditors: Amounts falling due within one year	17	(269,422)		(188,672)	
Net current assets (liabilities)			91,853		(18,568)
Total net assets			10,167,553		11,070,308
The funds of the charity					
Unrestricted funds					
. General funds			408,636		606,999
. Tangible and heritage asset fund	18		96,080		40,164
. Designated funds	19		88,895		60,221
			593,611		707,384
Restricted funds	20		1,302,630		1,523,457
Endowment funds	21		8,271,312		8,839,467
			10,167,553		11,070,308

Approved by the members of Council and signed on their behalf by: John Unsworth

Chair of Council: Dr John Unsworth

Approved on: 19 June 2019

Statement of Cash Flows Year to 31 December 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(569,102)	(519,475)
Cash flows from investing activities:			
Payments to acquire tangible fixed assets		(3,950)	(5,671)
Payments to acquire investments		(1,486,594)	(487,497)
Receipts from disposals of investments		1,695,901	814,781
Investment income and interest received		347,485	333,525
Net cash provided by investing activities		552,842	655,138
Change in cash and cash equivalents in the year		(16,260)	135,663
Cash and cash equivalents at 1 January 2018	B	429,290	293,627
Cash and cash equivalents at 31 December 2018	B	413,030	429,290

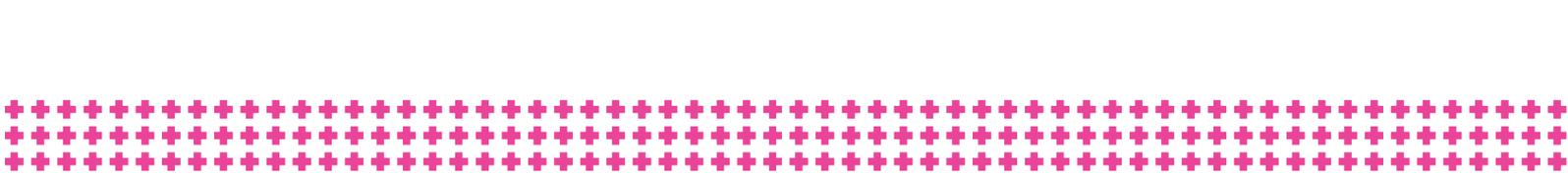
Notes to the statement of cash flows for the year to 31 December 2018.

A Reconciliation of net movement in funds to net cash used in operating activities

	2018 £	2017 £
Net movement in funds (as per the statement of financial activities)	(902,755)	567,382
Adjustments for:		
Depreciation charge	18,034	22,503
Net losses (gains) on investments	707,521	(892,599)
Net gains on revaluation of heritage assets	(70,000)	—
Investment income and interest receivable	(347,485)	333,525
Increase in debtors	(55,167)	(21,971)
Increase in creditors	80,750	138,735
Net cash used in operating activities	(569,102)	(519,475)

B Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	232,145	96,141
Cash held by investment managers	180,885	333,149
Total cash and cash equivalents	413,030	429,290



Principal Accounting Policies 31 December 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of Accounting

These accounts have been prepared for the year to 31 December 2018 with comparative information given in respect to the year ended 31 December 2017.

The accounts have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to the accounts.

The accounts have been prepared in accordance with 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 (Charities FRS 102 SORP 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical Accounting Estimates and Areas of Judgement

Preparation of the accounts requires the members of Council and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- assessing the probability of receiving legacies where the charity has been notified of its entitlement;
- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- determining the basis for allocating support costs across expenditure classifications; and
- determining the fair value of artwork classified as heritage assets.

Assessment of Going Concern

The members of Council have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The members of Council have made this assessment in respect to a period of one year from the date of approval of these accounts.

The members of Council have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The members of Council are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2019, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the report of Council for more information).

Income Recognition

Income is recognised in the period in which the charity has entitlement to the income and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the



charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, legacies, investment income, interest receivable and grants in respect to charitable activities.

Grants and donations from government and other agencies and charitable foundations are included as income from activities in furtherance of the charity's objectives where these relate to a specific project or activity or take the form of a contract for services. Where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding, then the income is classified as a donation.

Donations and grants in respect to charitable activities are recognised when the charity has confirmation of both the amount and settlement date. In the event of amounts pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Investment income is recognised once the dividend or interest has been declared and notification has been received of the amount due.

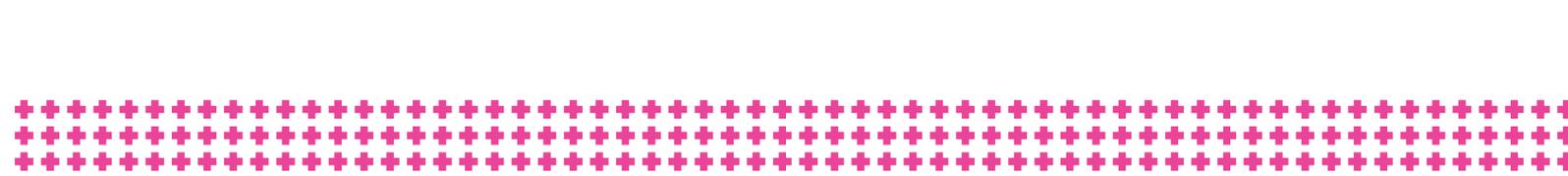
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds include the salaries, direct costs and support costs associated with generating donated income, together with the fees paid to investment managers in connection with the management of the charity's listed investments; and

- 
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs including governance costs.

Welfare grants are made where the members of Council consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Welfare grants are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end where relevant.

Grants of award funding to institutions are included in full in the statement of financial activities when the award agreement has been returned, completed and signed, by the recipient. Small final instalments of some award grant payments are subject to receipt of a satisfactory final report on the award project.

Allocation of Support and Governance Costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned using percentages based on the time spent on the relevant activities by the employees of the charity.

Tangible Fixed Assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised. Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated on a straight line basis over the following periods:

- Leasehold improvements: 4 years
- General office equipment, fixtures, fittings and furniture: 4 years
- Computer equipment: 3 years

Heritage Assets

During the year, QNI discovered a piece of original artwork by Florence Nightingale, which had been given to it many years ago. Following further investigation, the value of the artwork was determined and it has now been recognised in these accounts as a heritage asset. The asset is included on the balance sheet at a valuation determined by a specialist art valuer as at 31 December 2018 based on estimated market value as at that date. No depreciation has been charged against the asset.

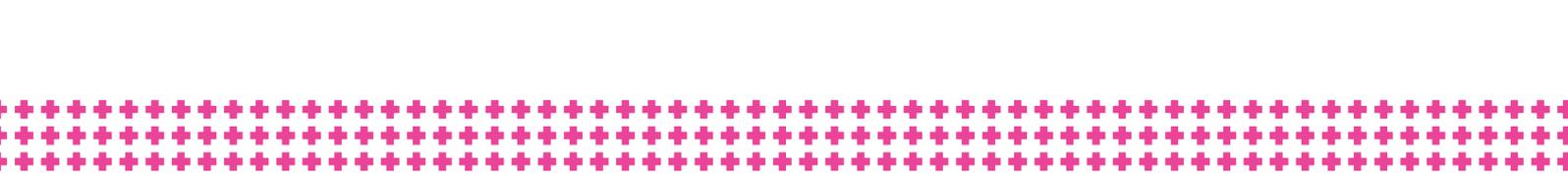
Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above, the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value



at the year-end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at Bank and in Hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and Provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund Structure

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the QNI at the discretion of the Council.

The tangible and heritage assets fund represents the aggregate net book value of tangible and heritage assets at the balance sheet date. The value of such assets has been reflected on the balance sheet as a separate fund in order to emphasise the fact that the value of such assets should not be regarded as available to meet day-to-day expenditure. The assets are held for functional purposes in the case of tangible fixed assets or are retained as part of the charity's archives in the case of heritage assets.

The designated funds are monies set aside out of the general fund and designated for specific purposes by the Council.

The restricted income funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions. In the case of restricted income funds for welfare purposes, transfers are made to the general fund to reflect an agreed quarterly charging structure for staff time and office services attributable to providing welfare support from those funds.

The expendable endowment funds represent amounts held as capital until such time as members of Council decide to expend them subject to self-imposed conditions. Whilst held as capital, the funds generate income which is regarded as unrestricted.

Pension Costs

Contributions in respect of the charity's defined contribution pension schemes are charged to the statement of financial activities when they are payable to the relevant scheme. The charity's contributions are restricted to the contributions disclosed in note 9. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Leased Assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Notes to the Accounts Year to 31 December 2018

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2018 Total funds £
National Gardens Scheme donation	250,000	—	250,000
Other donations	24,656	643	25,299
Legacies	29,974	1,800	31,774
2018 total funds	304,630	2,443	307,073

	Unrestricted funds £	Restricted funds £	2017 Total funds £
National Gardens Scheme donation	250,000	—	250,000
Donations in memory of Phillip Goodeve-Docker (note 17)	345	—	345
Other donations	25,530	1,572	27,102
Legacies	500	62	562
2017 total funds	276,375	1,634	278,009

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £
Income from investments listed on a recognised stock exchange within the UK	300,768	46,499	—	347,267
Bank and deposit interest	218	—	—	218
2018 total funds	300,986	46,499	—	347,485

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £
Income from investments listed on a recognised stock exchange within the UK	284,697	48,655	—	333,352
Bank and deposit interest	173	—	—	173
2017 total funds	284,870	48,655	—	333,525

Notes to the Accounts Year to 31 December 2018

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Championing best nursing practice			
. Executive Nurse Leadership Programme (National Garden Scheme)	—	72,760	72,760
. Homeless Health (Oak Foundation)	—	109,953	109,953
. Standards (QNI Scotland)	—	5,000	5,000
. Community Nurse Executive Network Income	9,000	—	9,000
. Annual conference	92,893	—	92,893
. Outstanding models – Royal College of Nursing	—	12,618	12,618
. Aspiring leadership	1,025	—	1,025
. Skills for care	1,500	—	1,500
. Association of General Practice Nurse Educators – NHS England	—	35,000	35,000
. General Practice Nursing Induction Template – NHS England	—	12,400	12,400
. Sales of resources	30,483	—	30,483
. Fees, publications and sundry service	13,952	—	13,952
2018 total funds	148,853	247,731	396,584

	Unrestricted funds £	Restricted funds £	2017 Total funds £
Championing best nursing practice			
. Innovation Fund (Burdett Trust for Nursing)	—	105,209	105,209
. Executive Nurse Leadership Programme (National Garden Scheme)	—	16,345	16,345
. Homeless Health (Oak Foundation)	—	43,900	43,900
. Standards (QNI Scotland)	—	5,000	5,000
. District Nurse 150 (Heritage Lottery Fund)	—	5,000	5,000
. Transition of care – Burdett Trust for Nursing	—	96,842	96,842
. Community Nurse Executive Network Income	4,500	—	4,500
. Dementia conference (HEE)	25,000	—	25,000
. Annual conference	87,827	—	87,827
. Fees, publications and sundry service	2,390	—	2,390
2017 total funds	119,717	272,296	392,013

Notes to the Accounts Year to 31 December 2018

4 Expenditure on raising funds

(a) Cost of generating grants and donations

Costs were incurred primarily in researching and developing relationships with grant making trusts.

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £
Direct costs	7,225	—	—	7,225
Support costs (note 7)	79,334	—	—	79,334
2018 total funds	86,559	—	—	86,559

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £
Direct costs	2,288	—	—	2,288
Support costs (note 7)	61,122	—	—	61,122
2017 total funds	63,410	—	—	63,410

(b) Management of investments

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £
2018 total funds	43,750	6,537	—	50,287

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £
2017 total funds	43,568	7,689	—	51,257

5 Charitable activities

	Direct costs £	Grant funding of activities (note 6) £	Support costs (note 7) £	2018 Total funds £
Influencing policy and practice	222,175	—	46,447	268,622
Championing best nursing practice	479,726	45,534	157,325	701,341
Providing welfare support	44,274	73,206	41,236	158,716
Providing educational support	—	8,445	2,808	11,253
Keep in touch	29,717	—	9,881	39,598
2018 Total	775,892	127,185	257,697	1,179,530

Notes to the Accounts Year to 31 December 2018

5 Charitable activities (continued)

	Direct costs £	Grant funding of activities (note 6) £	Support costs (note 7) £	2017 Total funds £
Influencing policy and practice	183,313	—	41,449	224,762
Championing best nursing practice	568,459	35,090	176,366	779,915
Providing welfare support	48,182	80,516	32,418	161,116
Providing educational support	—	10,277	2,444	12,721
Keep in touch	28,910	—	6,673	35,583
2017 Total	828,864	125,883	259,350	1,214,097

6 Grant making

Championing best nursing practice – grants payable to institutions

Fund for innovation	2018 £	2017 £
The Light Bulb Course	—	4,111
Darwen AHEAD	—	5,507
Best Foot Forward	1,289	3,111
Increasing Sexual Awareness – screening young men	1,889	5,111
Improving Health for men with Antipsychotic medication	—	4,111
Way to Go	3,203	3,681
Developing a Patient Held PSA	2,889	2,111
The Blues Boys	1,329	3,171
We Seek Him Here	939	4,097
Diabetes Education for Men	—	79
Total value	11,538	35,090
Number of grants made	6	10

Homeless Health Fund	2018 £	2017 £
Self-Harm Awareness Group	3,500	—
LEAP AHEAD project	4,415	—
Latent TB screening/awareness at HMP Birmingham	2,327	—
Five Ways to Wellbeing	1,500	—
Improving skin conditions and respiratory health for rough sleepers	3,500	—
Touch Base clinic	4,900	—
HIT Plus	4,500	—
Drop-in and NHS health check outreach clinic	4,354	—
The Health Bus	3,000	—
Health Champions for the Homeless	2,000	—
Total value	33,996	—
Number of grants made	10	—

Notes to the Accounts Year to 31 December 2018

6 Grant making (continued)

Championing best nursing practice – grants payable to institutions (continued)

These grants were awarded to support the innovative homeless and inclusion health projects led by community nurses. The nurses were selected following a grant application, external review and interview process.

Providing welfare support – grants made directly to individuals

	2018 £	2017 £
Total value	73,206	80,516
Number of grants made	397	403

Providing educational support – grants made to individuals

	2018 £	2017 £
Total value	8,445	10,277
Number of grants made	18	25

Grant commitments

As at 31 December 2018, the charity had annual welfare grant commitments of £35,050 (2017 - £38,712).

7 Support costs

Support costs are allocated to generation of funds and each area of charitable activity in proportion to the cost of direct staff time expended on those areas.

	2018 £	2017 £
Support and administration staff	91,464	88,799
Communications staff	49,260	38,909
Training and staff development	5,267	4,262
Governance costs	58,036	54,716
Office infrastructure	113,269	116,419
Office services	18,596	16,387
Other communication costs	12,639	15,752
	348,531	335,244
Less: costs directly allocated	(11,500)	(14,775)
	337,031	320,469

Notes to the Accounts Year to 31 December 2018

7 Support costs (continued)

The percentages (rounded to the nearest whole number) used to allocate costs to the expenditure headings in the statement of financial activities are as follows:

	2018	2017
Costs of generating grants and donations	24%	19%
Influencing policy and practice	14%	13%
Championing best nursing practice	46%	55%
Providing welfare support	12%	10%
Providing educational support	1%	1%
Keep in touch	3%	2%

8 Net movement in funds

This is stated after charging:

	2018 £	2017 £
Staff costs (note 9)	547,033	640,404
Depreciation	18,034	22,503
Operating lease rentals – land and buildings	49,720	49,720
Amounts payable to the auditor in respect of:		
External audit	9,692	9,504

9 Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2018 £	2017 £
Gross wages and salaries	456,811	536,169
Employer's national insurance contributions	47,409	53,396
Employer's pension costs	42,813	50,839
	547,033	640,404

One member of staff received emoluments (including taxable benefits but excluding employer's national insurance) in the range of £80,001 - £90,000 (2017 - one in the range of £80,001 - £90,000). Contributions in the year to defined contribution pension schemes in respect of this employee totalled £8,549 (2017 - £8,300).

The average headcount of employees in 2018 was 14 (2017 - 16).

The average number of full time equivalent employees in 2018 was 12 (2017 - 14).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of Council together with the Chief Executive, Head of Communications and the Finance Manager. The total remuneration payable to key management personnel during the year was £215,310 (2017 - £259,496).

In addition to the staff costs shown above, during the year, the charity incurred expenditure of £47,000 (2017 - £nil) in respect to an individual seconded to it from an academic institution, to fill the role of Director of Nursing Programmes. These costs are included within expenditure on charitable activities in the statement of financial activities.

Notes to the Accounts Year to 31 December 2018

10 Council Members

No member of the Council received any remuneration in respect of their services as a member of the Council during the year (2017 - none).

Expenses reimbursed to 7 (2017 - 4) members of the Council during the year in respect of travel totalled £4,140 (2017 - £1,081).

During the year members of the Council donated a total of £1,510 to the charity (2017 - £1,110).

The charity has purchased insurance to protect it from loss arising from certain wrongful acts of any member of the Council and to indemnify any member of Council against the consequences of such acts on their part. The total cover provided by such insurance is £500,000 (2017 - £500,000) and the total premium paid in respect of such insurance in the year was £255 (2017 - £800).

11 Related Party and Connected Person Transactions

Other than as disclosed in note 10 above, there were no transactions with related parties or connected persons during the year (2017 - none).

12 Taxation

The Queen's Nursing Institute is a registered charity and, therefore, is not liable to income tax or capital gains tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings, furniture and equipment £	Total £
Cost or valuation			
At 1 January 2018	50,931	44,279	95,210
Additions	—	3,950	3,950
At 31st December 2018	50,931	48,229	99,160
Depreciation			
At 1 January 2018	21,222	33,824	55,046
Charge for the year	12,494	5,540	18,034
At 31 December 2018	33,716	39,364	73,080
Net book values			
At 31 December 2018	17,215	8,865	26,080
At 31 December 2017	29,709	10,455	40,164

Notes to the Accounts Year to 31 December 2018

14 Heritage assets

	£
At valuation	
At 1 January 2018	—
Revaluation gain in year	70,000
At 31 December 2018	70,000

During the year, QNI discovered a piece of original artwork by Florence Nightingale, which had been given to it many years ago. Following further investigation, the value of the artwork was determined and it has now been recognised in these attached accounts as a heritage asset. The asset is included at a valuation determined by The Bowman Gallery, a specialist art valuer, as at 31 December 2018 based on estimated market value as at that date.

15 Investments

	2018 £	2017 £
Investments listed on a recognised stock exchange		
Market value at 1 January 2018	10,715,563	10,150,248
Add: Additions at cost	1,486,594	487,497
Disposals (proceeds: £1,695,901; realised losses £50,748)	(1,746,649)	(812,558)
Net investment (losses) gains	(656,773)	890,376
Market value at 31 December 2018	9,798,735	10,715,563
Cash and settlements pending, held as part of the investment portfolio	180,885	333,149
Total investments held	9,979,620	11,048,712
Listed investments at cost	7,622,652	7,482,544

At 31 December 2018, the listed investments comprised the following:

	2018 £	2017 £
Fixed interest	1,293,321	1,349,729
UK equities	3,771,599	4,576,507
Overseas equities	3,680,517	3,696,443
Alternatives	1,053,298	1,092,884
	9,798,735	10,715,563

At 31 December 2018 one holding was material in the context of the entire portfolio value. The holding was 6,400 units in Findlay Park Funds, comprising 5.5% (2017 - 4.97%) of the portfolio with a market value of £542,784 (2017 - £514,112).

16 Debtors

	Unrestricted funds £	Restricted funds £	2018 £	Unrestricted funds £	Restricted funds £	2017 £
Sundry debtors	4,858	—	4,858	1,684	180	1,864
Prepayments	49,233	32,139	81,372	37,355	2,600	39,955
Accrued income	—	42,900	42,900	—	32,144	32,144
	54,091	75,039	129,130	39,039	34,924	73,963

Notes to the Accounts Year to 31 December 2018

17 Creditors: Amounts falling due within one year

	Unrestricted funds £	Restricted funds £	2018 £	Unrestricted funds £	Restricted funds £	2017 £
Expense creditors	27,597	28,852	56,449	25,389	5,825	31,214
PAYE, National Insurance and pension contributions	12,695	—	12,695	16,125	—	16,125
Accruals	37,459	23,687	61,146	32,678	—	32,678
Deferred income (see below)	575	138,557	139,132	—	108,655	108,655
	78,326	191,095	269,422	74,192	114,480	188,672
Deferred income						
Balance brought forward	—	108,655	108,655	—	—	—
Released in year	—	(72,760)	(72,760)	—	—	—
Deferred in year	575	102,662	103,237	—	108,655	108,655
Balance carried forward	575	138,557	139,132	—	108,655	108,655

Deferred income consists of project funding received by the year end that relates to project work in future accounting periods.

18 Tangible and heritage assets fund

	£
At 1 January 2018	40,164
Revaluation gain in year	70,000
Other movements in year	(14,084)
At 31 December 2018	96,080

The tangible and heritage assets fund represents the aggregate net book value of tangible and heritage assets at the balance sheet date. The value of such assets has been reflected on the balance sheet as a separate fund in order to emphasise the fact that the value of such assets should not be regarded as available to meet day-to-day expenditure. The assets are held for functional purposes in the case of tangible fixed assets or are retained as part of the charity's archives in the case of heritage assets.

19 Designated funds

The funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the members of the Council for specific purposes.

	At 1 January 2018 £	New designation £	Utilised £	At 31 December 2018 £
Phillip Goodeve-Docker fund	60,221	—	(1,300)	58,921
Heyes legacy fund	—	29,974	—	29,974
	60,221	29,974	(1,300)	88,895
	At 1 January 2017 £	New designation £	Utilised £	At 31 December 2017 £
Phillip Goodeve-Docker fund	61,476	345	(1,600)	60,221

Notes to the Accounts Year to 31 December 2018

19 Designated funds (continued)

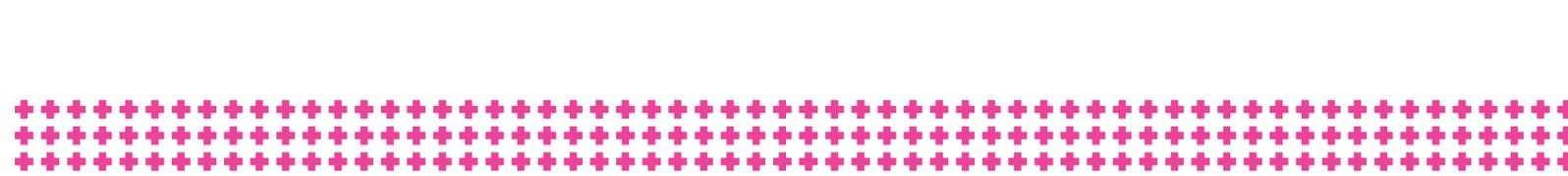
The Phillip Goodeve-Docker fund represents monies given as 'donations in memory' which the Council has set aside in the memory of Phillip Goodeve-Docker who sadly passed away in 2013 during a fundraising trek across Greenland.

The Heyes legacy fund comprises a legacy received during 2018 which has been designated towards enabling an increase in the number number of funded places made available for the annual Queen's Nurse Conference.

20 Restricted funds

	At 1 January 2018 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2018 £
District Nurses 1965 Fund	1,409,793	48,942	(216,104)	(94,181)	1,148,450
Fund for Innovation and Leadership	31,222	—	(22,092)	—	9,130
Transition of Care	25,875	—	(883)	—	24,992
Carers' Project	3,819	—	(4,193)	374	—
Homeless Health	25,580	109,953	(78,882)	—	56,651
Standards	6,005	5,000	(2,632)	—	8,373
Executive Nurse Leadership Programme	200	72,760	(72,960)	—	—
AGPNE	—	35,000	(8,913)	—	26,087
GPN Induction	—	12,400	(3,166)	—	9,234
Outstanding models of District Nursing	—	12,618	(12,618)	—	—
Dora Roylance Fund	20,963	—	(1,250)	—	19,713
	1,523,457	296,673	(423,693)	(93,807)	1,302,630

	At 1 January 2017 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2017 £
District Nurses 1965 Fund	1,392,338	50,242	(175,574)	142,787	1,409,793
Fund for Innovation and Leadership	4,573	105,209	(78,560)	—	31,222
Transition for Care	14,276	96,841	(85,242)	—	25,875
Carers' Project	72,470	—	(68,651)	—	3,819
Homeless Health	47,541	43,900	(65,861)	—	25,580
Standards	5,077	5,000	(4,072)	—	6,005
Executive Nurse Leadership Programme	—	16,346	(16,146)	—	200
Heritage Website	—	5,000	(5,000)	—	—
Discharge Planning	13,097	—	(13,097)	—	—
Practice Placements	6,262	—	(6,262)	—	—
Dora Roylance Fund	21,792	—	(829)	—	20,963
	1,577,426	322,538	(519,294)	142,787	1,523,457



Notes to the Accounts Year to 31 December 2018

20 Restricted funds (continued)

District Nurses 1965 Fund (Welfare Fund)

This fund is a separate charitable trust administered by the Queen's Nursing Institute and is known internally as the Welfare Fund. The fund must be used specifically for making grants to nurses who are, or who have been, associated with district and community nursing services and who are in financial hardship. As local District Nursing Associations in England closed over the years, additional funds have been transferred from the Associations to the 1965 Fund, with a specification that the funds should be used to support education grants for community nurses as well grants for those in financial hardship.

Fund for Innovation and Leadership

The Burdett Trust for Nursing provided funding for 10 frontline innovation projects that were supported over a year-long period by the QNI in 2017. In 2018 the project leaders continued to be supported to disseminate their project outcomes, including the production of posters for conference presentations in the summer of 2018 and summary reports. The nurses received recognition of their significant achievements in delivering their innovation projects at the QNI annual award ceremony in June 2018, where their project posters were also displayed.

Transition of Care

The Burdett Trust for Nursing awarded the QNI a grant for a two-year project which completed in December 2017. The resulting online learning resource supports nurses to provide excellent care for young people with long term health conditions to transition to adult services and is accessible via the QNI website. The project overall finished in 2018 and a planned evaluation of the use of the learning resource will be conducted in 2019, utilising the remaining funds.

Carer's Project

The Department for Health agreed that the entire underspend of the funding received in 2014 for the Carer's project (two) could be spent to develop an online learning resource to be used by nurse educationalists throughout the UK, supporting student nurses to learn about the important role of carers. This is named the Carer's project (three).

The lead for the project was appointed in October 2016 and the resource launched and disseminated to universities in October 2017.

Homeless Health (Oak Foundation)

The Oak Foundation agreed to fund the Homeless Health Programme for three years (May 2017 – April 2020) with matched funding from the QNI. In May 2018, the second of the three years commenced, with 10 innovation projects supported by the project funding.

Standards

The QNI has partnered with QNI Scotland (QNIS) to develop QNI/QNIS standards for Community Children's Nurse education and practice. This joint project started in November 2017 and was completed in August 2018. The QNIS contributed £10,000 towards the cost of the project and the remainder was allocated from the QNI growth in endowment. The expenditure reflects the amount spent from the QNIS contribution for delivery of the project in 2018.

Executive Nurse Leadership Programme

The National Garden Scheme (NGS) provided a grant in 2017 in recognition of our shared heritage and the shared anniversary of the NGS (90 years) and the QNI (130 years). The grant, totalling £165K was awarded to develop and deliver a professional development programme for two cohorts of Queen's Nurses working in an executive nurse role. The programmes were delivered in 2017/18 and 2018/19.

Notes to the Accounts Year to 31 December 2018

20 Restricted funds (continued)

AAGPNE

The QNI was awarded a grant from NHS England as part of the NHSE GPN 10 point plan to develop an Association of Academic General Practice Nurse Educators (AAGPNE) and the standards on which universities would build 'Foundation in General Practice Nursing' programmes. The project funding of £120K in total, commenced in 2018 and the work will be completed in April 2020.

GPN Induction

The QNI was also awarded a grant from NHS England as part of the NHSE GPN 10 point plan to develop an Induction Resource for nurses new to General Practice. The total award was £25K and the work commenced in 2018 and completed in March 2019.

Outstanding Models of District Nursing

The QNI and the Royal College of Nursing (RCN) partnered in 2018 to undertake a project to describe the elements which need to be in place in order for an outstanding model of the District Nursing service to be delivered. The RCN is funding 50% of the costs of the project which started in May 2018 and is due for completion and a launch of the final report in May 2019.

Dora Roylance Fund

The QNI received a legacy of £21,792 from a retired QN who passed away in 2015. The specification was that it was to be used for the support of Health Visitor education. A Dora Roylance Memorial Award has been created which is similar to the Philip Goodeve-Docker Memorial Award; it is for the most outstanding achievement for every student Health Visitor in every university offering the Health Visitor programme in England, Wales and N.Ireland.

Taking into consideration the number of universities offering the Health Visitor programme and the total of the fund, the award is likely to last approximately 15 years.

21 Expendable Endowment Fund

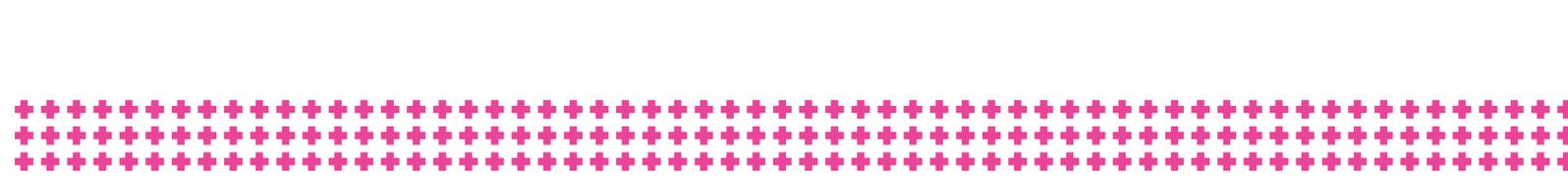
The fund was established originally following the disposal of the QNI's freehold property in Belgravia, London.

Movements on the endowment fund during the year to 31 December 2018 are as shown below:

	2018 £	2017 £
Fund value at 1 January 2018	8,839,467	8,176,531
Net investment (losses) gains	(568,155)	662,936
Fund value at 31 December 2018	8,271,312	8,839,467

Whilst the expendable endowment fund is held as capital, income generated by the underlying investments is regarded as unrestricted. The capital may be expended by the charity at the discretion of Council in accordance with self-imposed conditions consistent with the achievement of the charity's overall strategic plan.

In relation to this, in May 2015, Council agreed to a four year plan (2015-2018) to spend up to a total of £800,000 in expendable endowment on activities which would strengthen the QNI's impact in delivering its purpose and goals.



Notes to the Accounts Year to 31 December 2018

21 Expendable Endowment (continued)

The agreed activities are summarised below:

1. To increase QNI's influence on national and local policies and strategies that impact on nursing in the home and community, the following were agreed:

- Introduction of the post of policy officer. This was successfully implemented with the appointment of a junior policy officer in September 2015 – January 2017. From April 2017, the post was amended to reflect work at this level to 'Research Officer', supporting the work of the QNI in collating evidence and developing reports.
- Establishment of a network for senior leaders of community nursing services. This was commenced in 2016 for a fixed period of 3 years (to February 2018) and membership fees are being considered for sustainability of the network.

2. To improve the quality of nursing in the home and community, the following were agreed:

- Invest in QNs as 'leaders of best practice', with a bespoke Leadership Programme. The QN Leadership Programme commenced in 2017 with two cohorts of 12-16 QNs each year (2017/18 and 2018/19). The first QN leadership programme commenced in May 2017.
- Expand the QNI work on setting standards for community nurse education and practice. The work on General Practice Nurse voluntary standards was completed in 2015 with the publication of the standards in 2017. In October 2017, the QNI/QNIS work on standards for Community Children's Nurses (CCNs) commenced.
- Disseminate the outcomes of our projects more effectively so that they improve the quality and outcomes of nursing practice at a greater scale. A digital hub of the innovation projects was developed as part of an overall review and refresh of the QNI website which was launched in 2017.

3. To build the QNI's organisational capacity to deliver the above in ways that are cost effective and sustainable, the following were agreed:

- Increase our digital presence by expanding the communications team. A new post of digital engagement officer was filled in August 2015 and has resulted in a much wider reach of our digital presence and engagement. For example, in March 2017, during the Queen's Nurse annual meeting, the QNI 'trended' at number 3 on Twitter.
- Expand the QNI website to include a digital innovation hub. This was developed throughout 2016 and launched in March 2017.

The extended activities resulting from the investment were to be phased over the four year period 2015 to 2018.

To date, it has been possible to fund the investment from general funds alone with no transfer being required from the expendable endowment fund. However, it is anticipated that a transfer from the expendable endowment fund will be required in 2019 in order to cover the planned investment into the 'Data and Intelligence' function mentioned under 'Organisational Development' in the Report of the Council.

Notes to the Accounts Year to 31 December 2018

22 Analysis of net assets between funds

	General funds £	Tangible and heritage assets fund £	Designated funds £	Restricted funds £	Endowment funds £	Total 2018 £
Fund balances at 31 December 2018 are represented by:						
Tangible fixed assets	—	96,080	—	—	—	96,080
Investments	833,633	—	—	1,310,520	7,835,467	9,979,620
Net current assets	(424,997)	—	88,895	(7,890)	435,845	91,853
	408,636	96,080	88,895	1,302,630	8,271,312	10,167,553

	General funds £	Tangible and heritage assets fund £	Designate funds £	Restricted funds £	Endowment funds £	Total 2017 £
Fund balances at 31 December 2017 are represented by:						
Tangible fixed assets	—	40,164	—	—	—	40,164
Investments	878,821	—	—	1,589,701	8,580,190	11,048,712
Net current (liabilities) assets	(271,817)	—	60,221	(66,244)	259,277	(18,568)
	607,004	40,164	60,221	1,523,457	8,839,467	11,070,308

23 Operating leases

At 31 December 2018 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2018 £	2017 £
Due within:		
One year	69,992	69,992
Two to five years	52,494	122,487
	122,486	192,479



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