



FINANCIAL STATEMENTS

For the year ended

31 MARCH 2018

Charity Number: SC005751

QUEEN'S NURSING INSTITUTE SCOTLAND

REPORT of the TRUSTEES
For the year ended 31 March 2018

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QUEEN'S NURSING INSTITUTE SCOTLAND

REPORT of the TRUSTEES
For the year ended 31 March 2018

Patron:	Her Majesty The Queen
Trustees:	Sir Lewis Ritchie (Chair) Dr Linda Pollock (Vice Chair) Mr Alan Davidson (Hon Treasurer) Mrs Jane Walker (Hon Secretary) Mrs Irene Bonnar Mr David Boswell Mrs Hilda Campbell (stepped down September 2018) Ms Jane Cantrell Mrs Nicky Connor (from August 2018) Prof Fiona Coutts Mr Robin Morton Ms Josie Murray (from August 2017) Dr Sian Tucker (from August 2018) Mrs Pat Tyrell (stepped down September 2018) Mr David Williams (from August 2018)
Chief Executive and Nurse Director:	Prof Clare Cable
Address:	31 Castle Terrace Edinburgh EH1 2EL
Web Site:	www.qnis.org.uk
Registration Number:	Scottish Charity 005751
Auditor:	Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL
Bankers:	Charities Aid Foundation Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ Virgin Money Jubilee House Gosforth Newcastle Upon Tyne NE3 4LP

Bankers (continued):

Shawbrook Bank
Lutea House, Warley Hill Business Park
The Drive
Great Warley
Brentwood
Essex, CM13 3BE
Scottish Widows
67 Morrison Street
Edinburgh
EH3 8YJ

Investment Advisors:

Standard Life Wealth Limited (reappointed in 2016)
1 George Street
Edinburgh
EH2 2LL

INTRODUCTION

The Queen's Nursing Institute Scotland (QNIS) is a Scottish Charitable Incorporated Organisation (SCIO) promoting excellence in community nursing to improve the health and well-being of the people of Scotland. Our charitable objectives are:

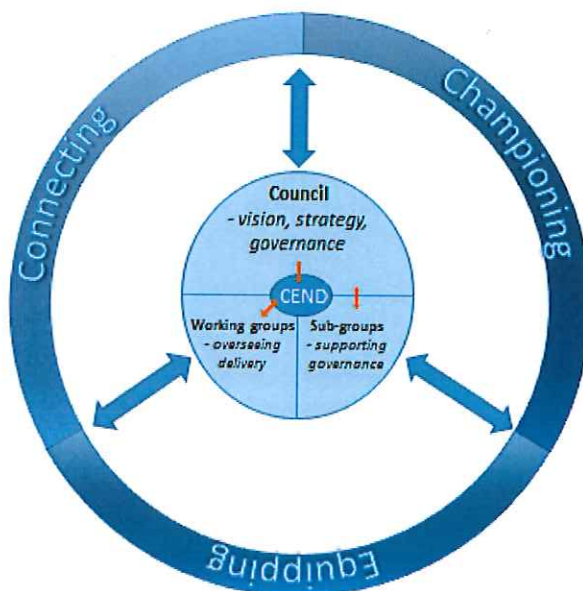
- a) The relief of former Queen's Nurses who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage;
- b) The advancement of education, training and professional development of persons acting as community nurses for the sick and as community midwives and health visitors; and
- c) The improvement of health through research, preventative and supervisory work undertaken in the community.

GOVERNANCE AND MANAGEMENT

Governance of QNIS is the responsibility of the Council of Trustees (above) which meets quarterly. As of March 2018, there are 12 Trustees, each with the relevant expertise to carry out a specific remit. QNIS Council agrees the annual operational plan in line with the forward plan and charitable objectives. There is an annually updated Register of Trustee's Interests; in addition, each meeting starts with an opportunity for Trustees to declare interest in any particular item on the agenda.

New Trustees are selected by a Nominations Committee of existing Trustees, and are subsequently appointed by the Patron. New Trustees undergo a short induction and training process provided by the existing Trustees, Chief Executive & Nurse Director (CEND) and the staff team.

Our Governance Structure is set out below:



The day-to-day management of QNIS is delegated to the CEND, supported by the staff team.

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Governance Sub-groups

Sub-group	Purpose
Staff governance sub-committee Chair: Linda Pollock	terms and conditions, staff capability and capacity, HR policies, health and safety, pensions.
Finance sub-committee Chair: Alan Davidson	accounting processes, banking, investment, financial audit and constitutional issues.
Nominations sub-committee Chair: Linda Pollock	responsible for Council and CEO appointments (to be convened as required)
Other sub-committees	To be convened if there is insufficient time for an important issue to be properly discussed at Council

Advisory Groups to support the strategic priorities (chaired by Trustees)

Advisory group	Chair	Purpose
Queen's Nurse Programme Advisory Group	Fiona Coutts	To advise on the detailed planning of the development programme for the reintroduction of the QN Title
Retired Queen's Nurses' Welfare Group	Jane Walker	To provide the QN Visitors with a forum for support and influence.
History Advisory Group	Jane Walker	To advise on the development of a history work stream for the Institute.
Catalysts for Change Advisory Group	Linda Pollock	To advise on the management of the Catalysts for Change Programme and its future development
Other groups as required to support priorities	Trustee or appointed other	To advise on the development of a particular priority work programme, its scope and purpose.

STRATEGY

During 2015-16, QNIS developed a forward plan for 2016-2020, following extensive consultation with its stakeholders. We have restated our purpose as *promoting excellence in community nursing to improve the health and wellbeing of the people of Scotland*. Our forward plan is based on three principles:

- Connecting people who share a passion for high-quality nursing in the community.
- Equipping nurses with the education, skills and confidence they need to help people achieve better health and well-being.
- Championing nurses' roles as advocates for quality health and care.

It sets out eight priorities for action over the four year period. These are to:

1. reintroduce the Queen's Nurse title to Scotland
2. provide development programmes and awards for community nurses
3. hold a major community nursing conference in Scotland every year
4. develop a "Community Nursing Observatory" – a hub from which nurses can access research and evidence to improve their practice
5. create a community nursing think-tank to shape policy on key topics
6. enable the fellowship of the retired Queen's Nurses
7. create an interactive record of our history
8. build an organisation which enables staff and trustees to give their best and achieve their potential

The agreed operational plan is aligned with these eight priorities. Each priority has deliverables and key performance indicators and progress is monitored quarterly by Council at each meeting.

ACHIEVEMENTS

Our achievements for the year are set out under the key priorities within the strategy:

1. Reintroduce the Queen's Nurse title to Scotland

In 2017 we awarded our first Queen's Nurse titles in almost 50 years. The prestigious title is awarded to clinical leaders who can demonstrate their impact as expert practitioners. These practitioners may be general practice nurses, community mental health nurses, school nurses, health visitors, community midwives or district nurses.

Twenty candidates were selected in January 2017 following nominations from health boards and employers across Scotland and rigorous selection events. Those selected undertook an extraordinary nine month 'Journey of Discovery' which started with a week's residential workshop and was followed by two further brief residential workshops and monthly coaching. Each worked on a service development project supported a sponsor within their organisation and a network of peer support.

The Institute made the awards in December 2017 and we were delighted that our Patron HM The Queen agreed to sign the certificates. This was a landmark for QNIS and we celebrated with an event for the new Queen's Nurses, invited guests, and retired Queen's Nurses enjoying Scotland's Farmers and Farmers Wives Choir, of whom one of our new Queen's Nurses is a member as well as a ceilidh.

The purpose of the programme is also to profile excellent community nursing practice; there was extensive local press coverage of the new Queen's Nurses from every area of Scotland. We received a grant from the RCN Foundation, which enabled us to commission a journalist and photographer to portray the working lives of our new Queen's Nurses and these stories are now on the QNIS website. The stories are intended to educate the general public, young people considering a nursing career, student nurses, newly qualified nurses and professional colleagues as the diversity of their roles is remarkable. Evaluation of the work is being undertaken by Robert Gordon University, Aberdeen led by the QNIS Chair in Community Nursing, Catriona Kennedy.

COURT of the TRUSTEES

For the year ended 31 March 2018

2. Provide development programmes and awards for community nurses

We have continued our **Catalysts for Change** programme. These projects all address an important aspect of health inequalities. Six projects were funded in 2016 and have now been completed; their reports are on our website. Each has been looking at ways of continuing the work to its next stage:

1. Our Visit;
2. Physical Activity Peer Support Worker
3. Social prescribing in a Gypsy Traveller site
4. Reducing health inequalities in people with learning disabilities
5. Windows of opportunity
6. Implementing wellness recovery: school pupils and their carers.

Seven projects were selected in 2017, they continue their work and will complete in Autumn 2018.

1. Govan Men's Shed
2. Nature Walks for Wellbeing
3. Working with children and young people - A community approach to understanding and valuing breastfeeding and early nutrition
4. How community nurses support self management
5. Working together to promote resilience and enhance informal carers' well-being in Tweeddale
6. Promoting Blood Borne Virus Wellness within Police Custody Suites.
7. Get Moving!

In 2017/18 162 **Long Service Awards** were made. This is an increase of 23% on 2016/17. Feedback includes:

"Over the past 38 years, I have had a few different roles within nursing. The QNIS Community Nursing Award for long service means so much because it makes me feel special, and that I have achieved something wonderful. I can pin my badge to my uniform with pride because I DID THIS!! So proud of myself and my award".

Thirteen **Academic prizes** have been awarded (undergraduate and postgraduate) at 10 universities. Some universities chose only to award undergraduate prizes this year. Prize recipients contributed blogs to the QNIS website to share their perspectives on being inspired as a student.

3. Hold a major community nursing conference in Scotland every year

This year's conference was held on 28th March at the John McIntyre Conference Centre in Edinburgh. The theme was "Who are the Change Makers?" Over 200 delegates were registered and they were very positive in their feedback, with 'inspiring' and 'motivating' as recurring comments. 12 student volunteers supported two Conferences in 2017 as part of our ongoing engagement with student nurses and building ties to the Universities.

4. Develop a "Community Nursing Observatory" – a hub from which nurses can access research and evidence to improve their practice

This work is being developed within the capacity available. An advisory group has been established, chaired by Prof Margaret Maxwell of the NMAHP Research Unit. We are two years in to a five year contract to support a QNIS Chair in Community Nursing, held by Prof Catriona Kennedy. As part of our agreement with Robert Gordon University, Catriona and the team at RGU have undertaken initial scoping work around getting research evidence into practice and held focus group at the QNIS Conference to generate views and ideas on how this 'community nursing observatory' can be taken forward.

REPORT of the TRUSTEES

For the year ended 31 March 2018

5. Create a community nursing think-tank to shape policy on key topics

QNIS joined forces with a range of other clinical professional bodies to produce two important policy papers "The future of primary care in Scotland: a view from the professions" and "A digital strategy for Scotland 2017 and beyond: a view from the professions". These are available on our website. The definition of primary care developed within the first document has been adopted by Scottish Government.

In addition, we have worked together with our sister organisation the Queen's Nursing Institute (QNI) to develop "Standards for General Practice Nursing Education and Practice", which were published in September 2017. We are currently working on Community Children's Nursing Standards, which will be published in September 2018.

QNIS continues to represent community nursing on a range of strategic Scottish Government and other national groups.

6. Enable the fellowship of the retired Queen's Nurses

We have appointed a full time Welfare and History Manager to provide dedicated support to this work. The focus of the role is supporting the 14 volunteer visitors who befriend those who are housebound. The volunteer handbook has been revised to ensure that our guidance reflects best practice. 21 Welfare Grants were awarded totalling £4,300. The June retired Queen's Nurse holiday had 27 guests and the September holiday had 15. The holidays were highly valued by those attending.

7. Create an interactive record of our history

As mentioned above, we have appointed a full time member of staff to coordinate our work in this area. As part of our celebration of the new Queen's Nurses we commissioned a fabulous animated film of our history which has been widely viewed online.

8. Build an organisation which enables staff and trustees to give their best and achieve their potential

We were successful in applying to be part of the ACOSVO Path to Impact Programme which has given us valuable feedback on how to develop and sustain our vision through being 'benchmarked' against (the performance) of other charities. In the light of this feedback our Council development day in August 2017 focussed on sustainability. Following the implementation of our action plan, follow up data was collected and the feedback we received indicated that our scores were very high indeed against other third sector organisations in Scotland.

The QNIS website has seen a rapid increase in popularity. During 2016/17 there were 15,051 visits to the website, but over 2017/18 this rose to 31,254, an increase of 107%.

During 2017/18, the most popular page except for the homepage, was the New Queen's Nurses with a collective 10,246 views across the various 2017 cohort pages. 'What is Community Nursing?' was second with 4250; followed by a student's blog about her experience on a District Nursing team with 3,185; information on our Health Visitor's conference, held jointly with the Scottish Government with 2,650; and our own Conference with 2,575.

On twitter, we have 1,768 followers, an increase of just over 50% since this time last year.

THE QUEEN'S NURSING INSTITUTE SCOTLAND

REPORT of the TRUSTEES

For the year ended 31 March 2018

STAFF AND VOLUNTEERS

The Staff Governance Committee reports to the Council on HR and related matters. Specifically, the remit of the Committee is to:

1. Ensure terms and conditions and workforce systems comply with employment law.
2. Ensure staffing and organisational structures remain fit for purpose.
3. Set up Health and Safety systems and ensure compliance with statutory requirements.
4. Update policies and procedures and develop a system of documentation control.
5. Implement a system of staff annual appraisal, training and personal development.

The Staff Governance Committee has provided excellent support as posts were reviewed, the team restructured and new appointments have been made. Supported by a contract for HR advice from EVH, we have a growing set of HR policies and a clear schedule for completing them. Health and safety (including fire safety) are standing items on the agenda. An audit was undertaken by independent specialists which highlighted safety issues to be addressed; the findings were shared with Trustees, areas of improvement have been identified, and acted upon with oversight by the Committee.

Feedback from individual appraisals demonstrates staff feeling valued. A team development day took place in November which supported the building of the new team. We are migrating all our data across to a new database which has been procured through due process, mindful of the new GDPR.

The Chief Executive and Nurse Director has undertaken a range of professional development this year as part of her Florence Nightingale Foundation Leadership Scholarship.

We seek to support and develop Trustees in their governance role. A successful Council development day took place on 3rd August. Trustees have participated in development opportunities organised by ACOSVO and various legal firms.

Key Management Personnel

The Trustees and the CEND are regarded as key management personnel. The Trustees act in a voluntary capacity and receive no remuneration. The remuneration of the CEND and all other staff are determined by the Staff Governance Committee whose decisions are ratified by Council.

Corporate Social Responsibility

QNIS uses Changeworks, a social enterprise, and we now recycle the largest proportion of our office waste. We 'twinned' our toilets through <http://www.toilettwinning.org/> to support sanitation projects in developing countries. We have committed to only buying Fairtrade tea and coffee and all our lunches for meetings have been provided by Social Bite, another local social enterprise. We have supported International Collaboration for Community Health Nursing Research by becoming a small organisation member, which supports Mary McClymont scholarship grants to enable community health nurses from low income countries to attend their conference.

Risk Management

During this year Council has reviewed the Risk Register at each Council meeting. Risks which have been identified and mitigated this year include:

- Need to ensure QNIS staff team has the skills and competencies to deliver the agreed strategy. *A lack of capacity has been identified and the Trustees are considering options.*
- Need to ensure a safe working environment for all staff. *Annual health and safety audit highlighted issues to address e.g. need for recording of regular equipment inspections and monitoring of safety issues. These have all been addressed.*

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REPORT of the TRUSTEES

For the year ended 31 March 2018

- New Data Protection Legislation is coming into force in May 2018. *Data protection training has taken place for staff. The new contacts database includes GDPR requirements. A new privacy statement and mail out to all e-newsletter recipients planned for May 2018 to ensure GDPR compliance.*
- Risk of cyber attack. We have significant contact with others whose security has been breached. *Regular back ups and cloud based server solution will mitigate any attack. System can be reset from back-ups. There may be temporary loss of access while reset takes place. The team remain vigilant.*
- Loss of staff or premises or both. *A Business Continuity Plan has been prepared and approved by the Trustees.*

Financial Review

The summary accounts show QNIS' portfolio continued to perform well over the year despite uncertainty due to changes across the political landscape. Whilst this is positive, the need for caution remains. The impact of leaving the European Union and continued flux in global politics may negatively affect market conditions in the not too distant future and therefore a pragmatic level of investment income being drawn from the portfolio is deemed appropriate.

QNIS has incurred a deficit for the year to 31 March 2018 before realised and unrealised investment gains/(losses) of £21,284 (2017: deficit £64,190). This deficit had been budgeted in order to deliver the agreed strategy for the year.

Total income was £459,565 (2017: £394,425) including interest and dividend income of £346,195 (2017: £318,352).

QNIS is grateful for the donation from Scotland's Gardens Scheme of £37,000 received during the year (of which £25,000 was recognised as income for 2016/17). This donation has been designated by the Trustees to assist with the funding of the re-introduction of the Queen's Nurse title.

Funding of £38,400 (2017: £35,000) was received from the Burdett Trust towards the cost of the provision of the coaching element of the work involved in the re-introduction of the Queen's Nurse title and to support the evaluation of the programme and £16,000 was received from the RCN Foundation to fund work profiling the roles of Scotland's New Queen's Nurses.

QNIS Administration

The total cost of administration for the year ended 31 March 2018 was £96,561 (2017: £93,663) being support costs of £52,484 (2017: £51,554) and portfolio management charges for the year ended 31 March 2018 of £44,077 (2017: £42,109).

Management of Funds

QNIS is reliant on the income from its investments. In 2016, following a tender exercise, a portfolio management agreement between the Trustees and Standard Life Wealth (SLW) was renewed. SLW have discretionary powers for investment with all stock being held on their behalf by the Platform Securities LLP., in London. Council has determined that there should be no direct investment in stocks involving tobacco products.

The total market value of the portfolio (including cash balances held within the portfolio) had fallen to £8,977,955 at the year end (2017: £9,135,409) which represents a 1.7% decrease in asset values. The Trustees are satisfied that performance throughout the year has been acceptable given the market conditions, with a sufficient level of income generated to support activities.

REPORT of the TRUSTEES
For the year ended 31 March 2018

Reserves

Reserves represent investments held for the generation of income for application to charitable purposes. The charity is not currently involved in active fundraising except for specific project costs. Total reserves stood at £9,445,735 at 31 March 2018.

The reserves policy was reviewed by Council in 2016. Investments are maintained at a sufficient level in order to generate an income stream for the charity, and this will continue to be the case. Council has an objective of holding approximately six months cash reserves. A slightly higher level of cash was held in 2017/18 in order to provide additional assurance in respect of funding for a number of projects whilst additional external funding was sought.

Plans for the Future

The Queen's Nursing Institute Scotland intends to use the income from the investment portfolio and other grants and awards in line with its strategy, focussing on the eight key priorities which are in accordance with its charitable objects. The Trustees, under the leadership of the Chair are continuing to explore ways in which we might attract additional external funds to enhance the delivery of the identified priority areas.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements, comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

The Trustees 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.

THE QUEEN'S NURSING INSTITUTE SCOTLAND

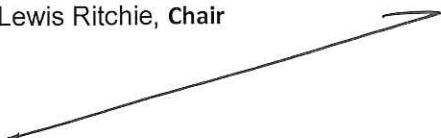
REPORT of the TRUSTEES For the year ended 31 March 2018

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Charity's web site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 24/10 2018 and signed on their behalf by



Sir Lewis Ritchie, Chair



To the Trustees of The Queen's Nursing Institute Scotland
For year ended 31 March 2018

Opinion

We have audited the financial statements of the Queen's Nursing Institute Scotland (the 'charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements 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 financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

To the Trustees of The Queen's Nursing Institute Scotland
For the year ended 31 March 2018

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 Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 9 and 10, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees 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 financial statements

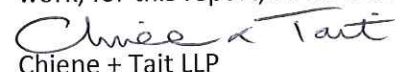
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Handwritten signature of Chiene + Tait in cursive.

Chiene + Tait LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

7 November 2018

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

THE QUEEN'S NURSING INSTITUTE SCOTLAND

STATEMENT of FINANCIAL ACTIVITIES
For the year ended 31 March 2018

	Notes	2018			2017		Total Funds Restated £
		Un-restricted Funds £	Restricted Funds £	Total Funds £	Un-restricted Funds £	Un-restricted Funds £	
Income from:							
Donations and legacies		13,947	54,400	68,347	29,391	35,000	64,391
Charitable Activities							
- <i>Queen's Nurse title</i>		30,000	-	30,000	-	-	-
- <i>conference, fees and welfare</i>		15,023	-	15,023	11,682	-	11,682
Investments		346,195	-	346,195	318,352	-	318,352
Total income		405,165	54,400	459,565	359,425	35,000	394,425
Expenditure on:							
Raising funds	3	44,077	-	44,077	42,109	-	42,109
Charitable activities	4	378,272	58,500	436,772	394,006	22,500	416,506
Total expenditure		422,349	58,500	480,849	436,115	22,500	458,615
Net (expenditure)/income before investment gains/(losses)		(17,184)	(4,100)	(21,284)	(76,690)	12,500	(64,190)
Gains/(Losses) on Investments							
Realised	7	(58,318)	-	(58,318)	129,770	-	129,770
Unrealised	7	(83,083)	-	(83,083)	1,207,408	-	1,207,408
Net (expenditure)/income and net movement in funds for the year		(158,585)	(4,100)	(162,685)	1,260,488	12,500	1,272,988
Total funds at 31 March 2017		9,595,920	12,500	9,608,420	8,335,432	-	8,335,432
Total funds at 31 March 2018		9,437,335	8,400	9,445,735	9,595,920	12,500	9,608,420

All incoming resources are derived from continuing activities.

The notes on pages 16 to 21 form part of these financial statements

THE QUEEN'S NURSING INSTITUTE SCOTLAND

BALANCE SHEET
As at 31 March 2018

	Notes	2018		2017	
		£	£	£	£
Fixed Assets	6		131,401		135,808
Investments	7		8,977,955		9,135,409
Current Assets					
Debtors	8	42,132		69,893	
Cash at bank and in hand		<u>344,124</u>		<u>300,850</u>	
		386,256		370,743	
Less: Current Liabilities					
Creditors due within one year	9	<u>49,877</u>		<u>33,540</u>	
Net Current Assets			<u>336,379</u>		<u>337,203</u>
Net Assets			<u>9,445,735</u>		<u>9,608,420</u>
Represented by:					
General Fund	10		9,437,355		9,564,667
Designated Funds	10		-		31,253
Restricted Funds	10		<u>8,400</u>		<u>12,500</u>
			<u>9,445,735</u>		<u>9,608,420</u>

Approved by the Trustees on 24 October 2018 and signed on their behalf by:



Alan Davidson
Honorary Treasurer



Sir Lewis Ritchie
Chair

The notes on pages 16 to 21 form part of these financial statements

THE QUEEN'S NURSING INSTITUTE SCOTLAND

STATEMENT OF CASH FLOWS
For the year ended 31 March 2018

	2018	2017
	£	£
Cash flows from operating activities:		
<i>Net cash provided by / (used in) operating activities (see below)</i>	27,920	(101,170)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(699)	(3,750)
Proceeds from the sale of investments	716,248	2,110,981
Purchase of investments	(995,273)	(1,502,733)
Decrease / (increase) in cash held for investment	295,078	(467,676)
<i>Net cash provided by investing activities</i>	<u>15,354</u>	<u>136,822</u>
Change in cash at hand in bank in the year	43,274	35,652
Cash at bank and in hand at the beginning of the year	<u>300,850</u>	<u>265,198</u>
Cash at bank and in hand at the end of the year	<u><u>344,124</u></u>	<u><u>300,850</u></u>

Reconciliation of net (expenditure) / income for the year to net cash flow from operating activities

	2018	2017
	£	£
Net (expenditure) / income for the year (per statement of financial activities)	(162,685)	1,272,988
Adjustments for:		
Depreciation	5,106	5,957
Losses / (gains) on investments	141,401	(1,337,178)
Decrease / (increase) in debtors	27,761	(31,520)
Increase / (decrease) in creditors	16,337	(11,417)
<i>Net cash provided by / (used in) operating activities</i>	<u><u>27,920</u></u>	<u><u>(101,170)</u></u>

The notes on pages 16 to 21 form part of these financial statements

NOTES to the FINANCIAL STATEMENTS
For the year ended 31 March 2018

1. Accounting Policies

Basis of preparation

The financial statements are prepared in accordance with Financial Reporting Standard 102 (FRS 102). They are also prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) (the Charities SORP FRS 102) applicable from 1 January 2015.

QNIS is a Public Benefit Entity as defined by FRS 102.

Going concern

There are no material uncertainties regarding the going concern status of QNIS and the Trustees continue to prepare the financial statements on the going concern basis.

Significant judgements and estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. As the estimates and associated assumptions are based on experience and other relevant factors, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. The only estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the fair value of investments and the useful lives of assets. The Trustees regard their estimates as reasonable and prudent.

Financial instruments

QNIS has only "basic" financial instruments as defined by FRS 102 being listed investments, debtors for income and creditors for normal operating costs. Investments are initially recorded at cost and subsequently at market value at the balance sheet date. All other financial instruments are initially recorded at cost and subsequently at settlement amount.

Tangible fixed assets

Heritable property represented by the building at 31 Castle Terrace, Edinburgh, is stated at cost and no depreciation is charged. In the opinion of the Trustees the property has a long useful life and a residual value so high that any depreciation charge would be immaterial. The Trustees consider that current market value is considerably in excess of cost and do not consider that the expense of undertaking a valuation is warranted.

Other fixed assets are initially included at cost. In general items under £500 are unlikely to be capitalised.

Depreciation of office equipment is provided at 33 1/3% per annum on cost in order to write off each asset over its estimated useful life.

Income

Income is recognised on an accruals basis. Investment income is recognised on an accruals basis once dividends have been declared. Grant income and donations are recognised when the conditions of receipt have been met and the amount involved can be quantified.

Legacies and donations are accounted for when the charity is advised by the personal representative of an estate that payment will be made and the amount involved can be quantified.

1. Accounting Policies (Continued)

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

- Costs of raising funds are those associated with generating incoming resources.
- Charitable activities include expenditure associated with meeting the charity's primary objectives and include both the direct cost and the support costs relating to these activities.

Governance costs are those support costs of a constitutional, strategic, or statutory nature with respect to the general running of the charity, rather than day to day management.

The charity recognises the commitment to make grants and other such funding in the year that the contract for funding is signed, or a commitment is made in writing to the recipient. Funding for projects undertaken and completed in the financial year are expensed in the financial statements. Funding commitments that extend to a period not covered by the annual financial statements are recognised as liabilities of the charity and are recognised in the financial statements as such.

Pensions

Contributions payable to the charity's defined contribution pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Staff costs

All staff costs (including any redundancy costs) are considered to be direct charitable costs and are accounted for as such.

Funds

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Designated funds are funds which have been designated by the Trustees of the Queen's Nursing Institute Scotland for a particular future purpose.

Restricted funds are funds which have been designated by the donor for a particular future purpose within the constitution of the Queen's Nursing Institute Scotland.

2. Employment Costs	2018	2017
	£	£
Wages and Salaries	135,438	128,799
Social Security Costs	9,674	9,768
Pension Costs (defined contribution scheme)	19,906	10,511
Agency staff	-	14,881
	<u>165,018</u>	<u>163,959</u>

The average monthly number of employees in the twelve month period was 6 (2017: 5).

The Trustees regard the role of Chief Executive & Nurse Director as key management personnel. Total remuneration was £70,503 (2017: £67,510), including pension costs of £9,741 (2017: £5,544), and national insurance costs of £6,379 (2017: £6,531). The number of individuals with remuneration greater than £60,000 was Nil (2017: £Nil).

No Trustees received remuneration during the period. Expenses were paid to four trustees during the year totalling £549 (2017: £401).

THE QUEEN'S NURSING INSTITUTE SCOTLAND

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2018

3. Costs of raising funds			2018	2017
			£	£
Investment management fees			44,077	42,109
4. Costs of charitable activities	2018	2018	2018	2017
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Direct delivery of charitable activities:				
Staff costs (including staff development costs)	165,018	-	165,018	165,502
Development programmes and awards	40,108	58,500	98,608	57,802
Education, research and policy	83,006	-	83,006	90,410
Welfare of the retired Queen's Nurses	37,657	-	37,657	51,238
	320,889	58,500	379,389	364,952
Support costs (note 5)	45,146	-	45,146	43,145
Governance costs (note 5)	7,338	-	7,338	8,409
	373,373	58,500	431,873	416,506

Included the above direct costs are various grants payments, analysed as follows:

	Individuals	Institutions	2018	2017
	£	£	Total	Total
			£	£
Development programmes and awards	950	-	950	1,300
Education, research and policy	-	57,370	57,370	58,100
Welfare of the retired Queen's Nurses	10,270	-	10,270	11,140
	11,220	57,370	68,590	70,540
2017	12,440	58,100	70,540	

Grants to institutions include funding of £32,370 in respect of the Catalysts for Change projects to a number of Health Boards, a medical practice and educational establishments and £25,000 to Robert Gordon University as the second year funding of the QNIS Chair in Community Nursing.

5. Analysis of Support and Governance Costs

The breakdown of support and governance costs is shown in the table below.

	Support	Governance	2018	2017
	Costs	Costs	Total	Total
	£	£	£	£
Council meetings including trustees' expenses	-	3,063	3,063	2,758
Premises costs	13,639	-	13,639	15,830
Office expenses	24,494	-	24,494	22,319
Audit	-	4,275	4,275	4,100
AGM	-	-	-	1,265
Legal and other professional fees	7,013	-	7,013	5,282
	45,146	7,338	52,484	51,554

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2018

6. Fixed Assets	Heritable Property £	Office Equipment £	Total £
Cost			
As at 31 March 2017	130,339	33,349	163,688
Additions	-	699	699
As at 31 March 2018	<u>130,339</u>	<u>34,048</u>	<u>164,387</u>
Accumulated Depreciation			
As at 31 March 2017	-	27,880	27,880
Charge for year	-	5,106	5,106
As at 31 March 2018	<u>-</u>	<u>32,986</u>	<u>32,986</u>
Net Book Value			
As at 31 March 2018	<u>130,339</u>	<u>1,062</u>	<u>131,401</u>
As at 31 March 2017	<u>130,339</u>	<u>5,469</u>	<u>135,808</u>

7. Investments	2018		2017	
	Cost £	Market Value £	Cost £	Market Value £
Fixed Interest, Securities & Equities	6,790,734	8,666,745	6,423,242	8,529,121
Cash deposits	311,210	311,210	606,288	606,288
	<u>7,101,944</u>	<u>8,977,955</u>	<u>7,029,530</u>	<u>9,135,409</u>
Market Value as at 31 March 2017				8,529,121
Disposals at opening book value (Proceeds £716,248; loss: £58,318)				(774,566)
Additions at cost				995,273
Net (loss)/gains on revaluations at 31 March 2018				<u>(83,083)</u>
				8,666,745
Cash held by Fund Managers				<u>311,210</u>
				<u>8,977,955</u>

All securities and equities are listed investments. The charity holds no investment which exceeds 5% of the portfolio's market value (2017: none). The cost figure for investments includes £2.2m relating to investments held outside the UK (2017: £2.0m). The market value figure includes £3.1m relating to investments held outside the UK (2017: £2.9m).

The significance of investments to the ongoing sustainability of the Charity is considered in the Report of the Trustees. The main risk to QNIS lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all investment assets are traded. The Trustees manage investment risks by retaining professional fund managers.

THE QUEEN'S NURSING INSTITUTE SCOTLAND

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2018

8. Debtors	2018 £	2017 £
Other Debtors and Prepayments	4,281	4,542
Accrued Income	37,851	65,351
	<u>42,132</u>	<u>69,893</u>

9. Creditors due within one year	2018 £	2017 £
Deferred income	12,562	2,330
Accrued Expenses	28,811	25,613
Other Creditors	8,504	5,597
	<u>49,877</u>	<u>33,540</u>

10. Reserves	Balance at 31 March 2017 £	Income £	Expenditure £	Investment losses £	Transfers £	Balance at 31 March 2018 £
Unrestricted funds - General	9,564,667	383,165	(379,096)	(141,401)	-	9,437,335
Unrestricted funds – designated (a)	31,253	12,000	(43,253)	-	-	-
Restricted funds – Queen's Nurse reintroduction (b)	12,500	54,400	(58,500)	-	-	8,400
	<u>9,608,420</u>	<u>459,565</u>	<u>(480,849)</u>	<u>(141,401)</u>	<u>-</u>	<u>9,445,735</u>

- (a) The Trustees of SGS requested that funds received from Scotland's Garden Scheme in respect of garden openings were designated toward the development of the Queen's Nurse title.
- (b) Funds were received in 2017 (£35,000) and 2018 (£38,400) from the Burdett Trust for the purpose of reintroducing the Queen's Nurse title to Scotland to develop the leadership skills of expert community practitioners. The unexpended balance brought forward from 2017 has been expended and an unexpended balance of £8,400 is being carried forward to fund further specific expenditure in 2018/19. Funds were also received in 2017/18 from the RCN Foundation (£16,000) to fund work profiling the roles of Scotland's New Queen's Nurses and this has been fully expended in the year.

12. Related party transactions

There were no related party transactions in the year (2017: £2,500 paid to Jane Cantrell for consultancy services on QN residential)

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2018

13. Financial Commitments

Total commitments under operating leases, in respect of the office photocopier and printer, are as follows:

	2018	2017
	£	£
Payments due within one year	1,549	1,549
Payments due after one year but within five years	1,162	2,712
Payments due after five years	-	-

Lease payments during the year amounted to £1,597 (inc VAT).

14. Capital Commitments

There were no capital commitments at 31 March 2018.