



FINANCIAL STATEMENTS

For the year ended

31 MARCH 2019

Charity Number: SC005751

INDEX TO FINANCIAL STATEMENTS

REPORT OF THE TRUSTEES	1
INDEPENDENT AUDITOR'S REPORT	13
STATEMENT OF FINANCIAL ACTIVITIES.....	14
BALANCE SHEET	15
STATEMENT OF CASH FLOWS	16
NOTES to the FINANCIAL STATEMENTS	17



112 LONG SERVICE AWARDS,
HONOURING 2,752 YEARS OF
COMMUNITY NURSING



VISITS TO WEBSITE TRIPLED
OVER THE LAST TWO YEARS,
84,000 THIS YEAR AND RISING

18 ACADEMIC PRIZES AWARDED
TO STUDENTS ACROSS ALL
UNIVERSITIES IN SCOTLAND
OFFERING COMMUNITY
NURSING COURSES



LAUNCHED NEW HISTORY
WEBSITE TO CELEBRATE 130
YEARS OF QNIS (1889-2019)

SHOWCASED THIRD YEAR OF
CATALYSTS FOR CHANGE
PROGRAMME WITH EVENT AT
SCOTTISH GOVERNMENT'S
FIRESTARTER FESTIVAL



THE QUEEN'S NURSING INSTITUTE SCOTLAND

REPORT of the TRUSTEES

For the year ended 31 March 2019

Patron:	Her Majesty, Queen Elizabeth II
Trustees:	Sir Lewis Ritchie (Chair) Dr Linda Pollock (Vice Chair) Mr Alan Davidson (Hon Treasurer) Mrs Jane Walker (Hon Secretary) Mrs Irene Bonnar (stepped down December 2018) Mr David Boswell Mrs Hilda Campbell (stepped down September 2018) Ms Jane Cantrell Mrs Nicky Connor (from August 2018) Prof Fiona Coutts Ms Rhona Hotchkiss (from May 2019) Mr Robin Morton Ms Josie Murray 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

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, Trustee	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, Trustee	To provide the QN Visitors with a forum for support and influence
History Advisory Group	Jane Walker, Trustee	To advise on the development of a history work stream for the Institute
Catalysts for Change Steering Group	Linda Pollock, Trustee	To advise on the management of the Catalysts for Change Programme and its future development
Community Nursing 'Observatory' Advisory Group	Professor Margaret Maxwell	To explore the feasibility and potential activities of a Scottish information exchange and research network
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. Progress is monitored on monthly basis by the CEND, as well as quarterly by the Council at each of its meetings.

ACHIEVEMENTS

Our achievements for the year 2018-19 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. During 2018, twenty-one additional candidates from across Scotland successfully completed QNIS' Queen's Nurse Development Programme. This

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, district nurses or from any other specialty area within Scottish community nursing.

Those QN candidates 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 an issue for development supported by both a sponsor within their organisation and a network of peers.

QNIS convened a celebration for the second round Queen's Nurses in December 2018. Once again, we were delighted that our Patron, HM Queen Elizabeth II, signed each QN certificate. QNIS hosted a lovely dinner and ceilidh for the new Queen's Nurses, invited guests, and retired Queen's Nurses. Awards were presented by the Chair of the QNIS Council (Prof Sir Lewis Ritchie) and Scotland's Chief Nursing Officer (Prof Fiona McQueen).

The purpose of the programme is also to profile excellent community nursing practice; there was extensive local press coverage of the 2018 Queen's Nurses from every area of Scotland. In addition to a publication profiling the working lives of each Queen's Nurse for 2017 and 2018, 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. They are inspiring individually and also highlight the extraordinary diversity of their roles as community nurses. Evaluation of the Queen's Nurse Development Programme is being undertaken by Robert Gordon University (Aberdeen) under the direction of the QNIS Chair in Community Nursing, Prof Catriona Kennedy.

The third cohort of twenty Queen's Nurse candidates were selected in January 2019, following nominations from health boards and employers across Scotland, as well as a robust selection process. These nurses are embarking on a similar 'Journey of Discovery'

REPORT of the TRUSTEES

For the year ended 31 March 2019

2. Provide development programmes and awards for community nurses

QNIS' *Catalysts for Change* programme continued during 2018 through the following projects:

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!

Further information about the Catalysts for Change initiative, and the projects undertaken to date, are available on the QNIS website. Beyond the intended benefits for community participants, some Catalyst projects were honoured with external recognition and support. For instance, the 'Get Moving' project in Glasgow received the British Heart Foundation's Team Award; and the project lead for the Govan's Men's Shed won the Royal College of Nursing's 2019 People's Choice Award. These are significant accomplishments for small scale projects.

There was a celebration held in January 2019 in conjunction with the Scottish Government's Fire Starter Festival. The event was informed not only by participant presentations, but also by the results of a survey of all Catalysts for Change project leads reflecting upon their experiences and the lessons learned. This event featured a keynote address (and demonstration of catalysts in both science and society) by Prof Lesley Yellowlees. There was widespread agreement that this QNIS initiative should continue, and the emphasis should remain on a wide range of community nurse-led projects to prevent, reduce or overcome health inequalities in Scotland.

In 2018/19, 112 *Community Nursing Awards for Long Service* were made at six events across Scotland. These recognise and honour the important work accomplished by community nurses in Scotland over a sustained period of time (at least 21 years).

In order to inspire the next generation of community nurses QNIS awards *academic prizes* in eleven universities in Scotland offering nursing programmes. Prize recipients contributed blogs to the QNIS website, which have been widely read and well received.

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

Because of the decision to shift the QNIS annual conference from March to April, there was not one held during this financial year. However, the 2019 QNIS conference (to be held in the first week of April at Murrayfield Stadium) was completely planned and organised in this time period.

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

The Community Nursing 'Observatory' Advisory Group – chaired by Prof Margaret Maxwell (Director of the NMAHP Research Unit at Stirling University) – met in February and reviewed progress to date, as well as discussing options for the future.

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

QNIS routinely plays an active role within the larger professional and public policy spheres that affect community nurses and community nursing across Scotland. This includes membership and participation in a variety of relevant strategic committees and other groups of the Scottish Government and other national organisations. Such 'behind the scenes' engagement by QNIS can,

and does, have an influence on the larger policies, guidelines, legislation and resource allocations that impact upon community nursing.

This policy and practice improvement work extends to UK-wide initiatives. For instance, QNIS worked closely with its sister organisation the QNI, with key advisors from all four countries, to complete *The QNI/QNIS Voluntary Standards for Community Children's Nurse Education and Practice*. This was published in September 2018 and connects into the Transforming Nursing Midwifery and Health Professions (NMaHP) roles programme being led by Scotland's Chief Nursing Officer. The CCN role has been identified as a core to the integrated nursing team caring for children and families.

Another collaboration took place during 2018-19 around the issue of safeguarding vulnerable adults from scamming and other forms of financial abuse. QNIS not only convened a well-attended Scottish seminar on this topic, featuring the team at Bournemouth University who created an excellent guide for community nurses, but also produced a Scottish supplement to it that provided the policy context and relevant legislation north of the border. This signposted the information, agencies and other resources of use to Scottish community nurses in preventing such harm from occurring in the first place, as well as in better understanding how best to help the victims of scamming to recover, psychologically and physically. QNIS' Chief Executive and Nurse Director (CEND) also published columns on this subject in RCN's *Nursing Standard* and *The Big Issue*.

An additional way in which QNIS contributes to Scottish policy of importance to community nurses is through inviting and publishing guest blogs on the QNIS website (usually written by key people with a background in community nursing). During 2018, examples included contributions on policy issues related to homelessness and health, advanced dementia, lipoedema and safe staffing.

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

A review of our hardship grants was undertaken during 2018-19 by the QNIS Welfare Advisory Group. We have increased the number of volunteer visitors to 15 to expand where we can offer a befriending service to those retired Queen's Nurses who are housebound or socially isolated. The QNIS Visitor handbook has been revised to ensure that our guidance reflects best practice to support our volunteer visitors. Thirteen Welfare Grants were awarded, totalling £3,000. The June holiday had 24 guests and the September holiday had 16. A review of the QNIS-organised holidays was undertaken, and survey results showed these continue to be highly valued by those retired Queen's Nurses attending.

7. Create an interactive record of our history

Work has been taking place to curate the history of QNIS and Scottish Queen's Nurses. A new section of the QNIS website has been created to be launched at the QNIS 2019 Annual Conference. Plans are being made to open 31 Castle Terrace to the general public for Edinburgh Doors Open 2019. The interactive animation about QNIS' history continues to be popular not only on our website, but also when it has been embedded into PowerPoint presentations by QNIS staff.

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

For two years, QNIS was one of 50 Scottish third sector organisations selected to participate in the 'Path to Impact' project funded by the Big Lottery and co-ordinated by the Association of Chief Officers of Voluntary Organisations (ACOSVO). 50 equivalent organisations from Northern Ireland also participated. The primary purpose was self-evaluation and organisational development, rather than the creation of a league table (especially given methodological limitations).

Nevertheless, it is worth noting that out of 100 organisations, the Queen's Nursing Institute Scotland was:

Within the Top 5 for:

- Leader Vision
- Board Leadership

- Technology Skills
- Financial Management Skills
- Re-Energising Staff

The QNIS website continues to see increased usage. Across 2017/18 there were 31,254 visits to the website, and in 2018/19 this rose to 46,219, an increase of 47%. This has been the second consecutive year with an increase of around 15,000 visits to the website.

A total of 83,137 QNIS webpages were views across the year, an increase of 12,068. During 2018/19, the most popular page (except for the homepage) was the '*What is Community Nursing?*' page, with 6,285 views (an increase of over 2,000 on 2017/18). Two other pages received over 5,000 views; both of which were blogs: the first, with 6,285, was '*A Day in the Life of a District Nurse*', and the other, with 5,128, was '*Student Reflects on Placement with District Nursing Team*'. The various news and information pages featuring the 2018 Queen's Nurse cohort picked up a collective 8,382 views.

On Twitter, QNIS increased its number of followers by more than 500 (from 1,768 followers to 2,297). During 2018/19, QNIS also created a Facebook page to provide information on our activities through another social media platform.

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. Monitor the system of staff annual appraisal, training and personal development.

Supported by a contract for HR advice from EVH, QNIS has an increasingly comprehensive and bespoke set of HR policies. These are reviewed and discussed regularly (on a rotating basis) at monthly staff/team meetings, as well as by this Committee and QNIS Council. Health and safety (including fire safety) are standing items on the Committee agenda. A matrix of policies, reviews, anticipated actions and results is now maintained and used to guide decisions.

There is a formal annual review of all QNIS staff members. This is conducted by the Council Chair and Vice Chair for the Chief Executive & Nurse Director and by the CEND for all other employees. These are constructive, detailed, bespoke conversations; not 'tick box' exercises. Continuing professional development is always part of the annual appraisal. In addition, a review of performance by each staff member in relation to mutually agreed objectives occurs quarterly and the CEND is available for time-sensitive conversations between reviews. There was a team away day in the Autumn of 2019.

The attention paid to creating and maintaining a healthy work environment is appreciated by QNIS staff members. This is partially reflected in the 2018-19 staff absence statistics. From an available 2154 working days (having deducted holidays and weekends) only 1.74% days were lost to sick leave. By comparison, 3.4% days were lost among the Scottish Government workforce during 2018.

QNIS support and develop Trustees in their governance role. A successful Council development day took place during Autumn 2018. One Trustee then led a discussion with the staff about their vision for the next long-term strategic plan; a topic with which Trustees are also beginning to engage. Trustees have participated in development opportunities organised by ACOSVO and a range of seminars offered by legal and accounting firms in Edinburgh.

Key Management Personnel

The Trustees and the CEND have now been joined by a Deputy Director. 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.

Equality and Diversity

Throughout its programmes and governance the staff and trustees of QNIS are committed to ensuring that the work is inclusive and accessible. An important issue for Scotland is that of geographical inclusivity and we deliberately ensure that travel for candidates from remote and island areas is subsidised to ensure equality of access. We use technology to enable people to engage with meetings so we have voices from all over Scotland in our discussions and decisions. Each time we have a trustee vacancy we consider diversity alongside skills in our appointments process. We work hard to ensure accessibility of our publications and have produced audio versions of newsletters for retired Queen's Nurses who are visually impaired.

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 local social enterprises. All our office cleaning and hygiene supplies are ecologically friendly. We use ecological paper for our photocopier, which is produced using less pulp. QNIS has supported the International Collaboration for Community Health Nursing Research by becoming a small organisation member, which funds Mary McClymont scholarship grants to enable community health nurses from low income countries to attend their conference.

Risk Management

The Council reviews the Risk Register at each Council meeting. Risks have shifted during the course of the 2019-19 financial year. At the outset of the year, the highest perceived risk was:

- The current staff capacity is insufficient to deliver on the 2016-20 strategy. *Through the hiring of a Deputy Director in September, the risk level dropped significantly by year end.*

The next highest risks assessed by the Council were:

- Risk of cyber-attack. *While the risk level was the same at year end, steps had been taken. Regular backups and cloud-based server solution now mitigate any attacks. Ongoing vigilance is ensuring that important information is backed up and not stored in emails. Regular review and monitoring of cyber security was carried out. Transfer to Microsoft 365 has helped reduce the risk of server failure and attack.*
- Investment income no longer covers charity's running costs in order to deliver on the strategy. *This is the only risk that was perceived to have increased during this year, as a number of grant proposals and applications were not funded. However, additional fundraising activities were in place and being actively pursued.*

All other identified areas of risk were not deemed to be serious enough to warrant priority action, but steps to diminish these risks were put in place during this year.

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 2019 before realised and unrealised investment gains/(losses) of £36,128 (2018: deficit £21,284). This deficit had been budgeted in order to deliver the agreed strategy for the year.

Total income was £456,229 (2018: £459,565) including interest and dividend income of £371,702 (2018: £346,195).

QNIIS is grateful for the donation from Scotland's Gardens Scheme of £42,000 received during the year (2018: £12,000). 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 £nil (2018: £38,400) 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 £nil (2018: £16,000) was received from the RCN Foundation to fund work profiling the roles of Scotland's New Queen's Nurses.

QNIIS Administration

The total cost of administration for the year ended 31 March 2018 was £89,703 (2017: £93,663) being support costs of £45,129 (2018: £52,484) and portfolio management charges for the year ended 31 March 2019 of £44,574 (2018: £44,077).

Management of Funds

QNIIS 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 increased to £9,484,829 at the year end (2018: £8,977,955) which represents a 5.6% increase 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.

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 £9,935,328 at 31 March 2019.

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 objectives. 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.

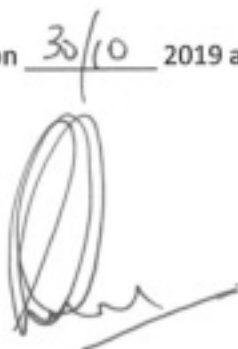
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements, comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (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 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 30/10 2019 and signed on their behalf by

Sir Lewis Ritchie, Chair

A handwritten signature in black ink, consisting of a large, stylized 'L' followed by a cursive 'Ritchie'.

**To the Trustees of The Queen's Nursing Institute Scotland
For year ended 31 March 2019**

Opinion

We have audited the financial statements of the Queen's Nursing Institute Scotland (the 'charity') for the year ended 31 March 2019 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 2019 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 2019

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 page 11, 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

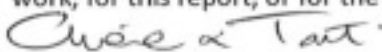
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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.



Chiene + Tait LLP

Chartered Accountants and Statutory Auditor

61 Dublin Street

Edinburgh

EH3 6NL

6/12/2019

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 2019

	Notes	2019			2018		Total Funds Restated £
		Un- restricted Funds £	Restricted Funds £	Total Funds £	Un- restricted Funds £	Restricted Funds £	
Income from:							
Donations and legacies		43,707	-	43,707	13,947	54,400	68,347
Charitable Activities							
- Queen's Nurse title		32,800	-	32,800	30,000	-	30,000
- conference, fees and welfare		8,020	-	8,020	15,023	-	15,023
Investments		371,702	-	371,702	346,195	-	346,195
Total income		456,229	-	456,229	405,165	54,400	459,565
Expenditure on:							
Raising funds	3	44,574	-	44,574	44,077	-	44,077
Charitable activities	4	439,383	8,400	447,783	378,272	58,500	436,772
Total expenditure		483,957	8,400	492,357	422,349	58,500	480,849
Net income/(expenditure) before investment gains/(losses)		(27,728)	(8,400)	(36,128)	(17,184)	(4,100)	(21,284)
Gains/(Losses) on Investments							
Realised	7	8,526	-	8,526	(58,318)	-	(58,318)
Unrealised	7	517,195	-	517,195	(83,083)	-	(83,083)
Net (expenditure)/income and net movement in funds for the year		497,993	(8,400)	489,593	(158,585)	(4,100)	(162,685)
Total funds at 31 March 2018		9,437,335	8,400	9,445,735	9,595,920	12,500	9,608,420
Total funds at 31 March 2019		9,935,328	-	9,935,328	9,437,335	8,400	9,445,735

All incoming resources are derived from continuing activities.

The notes on pages 18 to 24 form part of these financial statements

THE QUEEN'S NURSING INSTITUTE SCOTLAND

BALANCE SHEET
As at 31 March 2019

	Notes	£	2019 £	£	2018 £
Fixed Assets	6		131,467		131,401
Investments	7		9,484,829		8,977,955
Current Assets					
Debtors	8	73,763		42,132	
Cash at bank and in hand		<u>311,279</u>		<u>344,124</u>	
		385,042		386,256	
Less: Current Liabilities					
Creditors due within one year	9	<u>66,010</u>		<u>49,877</u>	
Net Current Assets			<u>319,032</u>		<u>336,379</u>
Net Assets			<u>9,935,328</u>		<u>9,445,735</u>
Represented by:					
General Fund	10		9,926,928		9,437,355
Designated Funds	10		-		-
Restricted Funds	10		<u>8,400</u>		<u>8,400</u>
			<u>9,935,328</u>		<u>9,445,735</u>

Approved by the Trustees on 30/10/ 2019 and signed on their behalf by:



Alan Davidson
Honorary Treasurer



Sir Lewis Ritchie
Chair

THE QUEEN'S NURSING INSTITUTE SCOTLAND

STATEMENT OF CASH FLOWS

For the year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities:		
<i>Net cash provided by / (used in) operating activities (see below)</i>	(50,351)	27,920
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1,342)	(699)
Proceeds from the sale of investments	2,009,570	716,248
Purchase of investments	(1,930,515)	(995,273)
Decrease / (increase) in cash held for investment	(60,208)	295,078
<i>Net cash provided by investing activities</i>	<u>(18,847)</u>	<u>15,354</u>
Change in cash at hand in bank in the year	(32,845)	43,274
Cash at bank and in hand at the beginning of the year	344,124	300,850
Cash at bank and in hand at the end of the year	<u>311,279</u>	<u>344,124</u>

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

	2019 £	2018 £
Net (expenditure) / income for the year (per statement of financial activities)	489,593	(162,685)
Adjustments for:		
Depreciation	1,276	5,106
Losses / (gains) on investments	(525,721)	141,401
Decrease / (increase) in debtors	(31,632)	27,761
Increase / (decrease) in creditors	16,133	16,337
<i>Net cash provided by / (used in) operating activities</i>	<u>(50,351)</u>	<u>27,920</u>

The notes on pages 18 to 24 form part of these financial statements

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2019

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

	2019 £	2018 £
Wages and Salaries	192,774	135,438
Social Security Costs	14,158	9,674
Pension Costs (defined contribution scheme)	20,401	19,906
	<u>227,333</u>	<u>165,018</u>

The average monthly number of employees in the twelve month period was 7 (2018: 6).

The Trustees regard the role of Chief Executive & Nurse Director as key management personnel. Total remuneration was £73,958 (2018: £70,503), including pension costs of £12,887 (2018: £9,741), and national insurance costs of £6,384 (2018: £6,379). The number of individuals with remuneration greater than £60,000 was 1 (2018: nil).

No Trustees received remuneration during the period. Expenses were paid to four trustees during the year totalling £770 (2018: £549).

THE QUEEN'S NURSING INSTITUTE SCOTLAND

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2019

3. Costs of raising funds	2019 £	2018 £
Investment management fees	44,574	44,077

4. Costs of charitable activities	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Total £
Direct delivery of charitable activities:				
Queens Nursing Programme	165,625	8,400	174,025	157,017
Education, research and awards	103,029	-	103,029	121,328
Welfare of the retired Queen's Nurses	78,591	-	78,591	74,470
Catalysts for Change	39,491	-	39,491	31,473
	<u>386,736</u>	<u>8,400</u>	<u>395,136</u>	<u>384,288</u>
Support costs (note 5)	45,129	-	45,129	45,146
Governance costs (note 5)	7,518	-	7,518	7,338
	<u>439,383</u>	<u>8,400</u>	<u>447,783</u>	<u>436,772</u>

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

	Individuals £	Institutions £	2019 Total £	2018 Total £
Development programmes and awards	1,493	-	1,493	950
Education, research and policy	-	25,000	25,000	57,370
Welfare of the retired Queen's Nurses	9,420	-	9,420	10,270
	<u>10,913</u>	<u>25,000</u>	<u>35,913</u>	<u>68,590</u>
2018	<u>11,220</u>	<u>57,370</u>	<u>68,590</u>	

In the year grants to Institutions included funding of £25,000 to Robert Gordon University as the third year funding of the QNIS Chair in Community Nursing and to a number of Health Boards and educational establishments.

5. Analysis of Support and Governance Costs

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

	Support Costs £	Governance Costs £	2019 Total £	2018 Total £
Council meetings including trustees' expenses	-	2,148	2,148	3,063
Premises costs	13,928	-	13,928	13,639
Office expenses	27,472	-	27,472	24,494
Audit	-	5,370	5,370	4,275
Legal and other professional fees	3,729	-	3,729	7,013
	<u>45,129</u>	<u>7,518</u>	<u>52,647</u>	<u>52,484</u>

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2019

6. Fixed Assets	Heritable Property	Office Equipment	Total	
	£	£	£	
Cost				
As at 31 March 2018	130,339	34,048	164,387	
Additions	-	1,342	1,342	
As at 31 March 2019	130,339	35,390	165,729	
Accumulated Depreciation				
As at 31 March 2018	-	32,986	32,986	
Charge for year		1,276	1,276	
As at 31 March 2019	-	34,262	34,262	
Net Book Value				
As at 31 March 2019	130,339	1,128	131,467	
As at 31 March 2018	130,339	1,062	131,401	
	2019		2018	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
7. Investments				
Fixed Interest, Securities & Equities	7,029,158	9,113,411	6,790,734	8,666,745
Cash deposits	371,418	371,418	311,210	311,210
	7,400,576	9,484,829	7,101,944	8,977,955
Market Value as at 31 March 2018				8,666,745
Disposals at opening book value (Proceeds £2,009,570; gain: £8,526)				(2,001,044)
Additions at cost				1,930,515
Net (loss)/gains on revaluations at 31 March 2019				517,195
				9,113,411
Cash held by Fund Managers				371,418
				9,484,829

All securities and equities are listed investments. The charity holds no investment which exceeds 5% of the portfolio's market value (2018: none). The cost figure for investments includes £2.5m relating to investments held outside the UK (2018: £2.2m). The market value figure includes £3.5m relating to investments held outside the UK (2018: £3.1m).

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 2019

8. Debtors	2019 £	2018 £
Other Debtors and Prepayments	34,906	4,281
Accrued Income	39,259	37,851
	<u>73,765</u>	<u>42,132</u>

9. Creditors due within one year	2019 £	2018 £
Deferred income	10,945	12,562
Accrued Expenses	38,333	28,811
Other Creditors	16,732	8,504
	<u>66,010</u>	<u>49,877</u>

10. Reserves	Balance at 31 March 2018 £	Income £	Expenditure £	Investment gains £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds – General	9,437,335	456,229	(483,957)	525,721	-	9,935,328
Unrestricted funds – designated (a)	-	-	-	-	-	-
Restricted funds – Queen's Nurse reintroduction (b)	8,400	-	(8,400)	-	-	-
	<u>9,445,735</u>	<u>456,229</u>	<u>(492,357)</u>	<u>525,721</u>	<u>-</u>	<u>9,935,328</u>

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>

10. Reserves (Continued)

- (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 2018 (£35,000) 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 2018 has been expended.

12. Related party transactions

There were no related party transactions in the year (2018: Nil).

13. Financial Commitments

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

	2019	2018
	£	£
Payments due within one year	1,162	1,549
Payments due after one year but within five years	-	1,162
Payments due after five years	-	-
	<hr/>	<hr/>

Lease payments during the year amounted to £1,549 (inc VAT).

THE QUEEN'S NURSING INSTITUTE SCOTLAND

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2019

14. Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fixed assets	9,616,296	-	9,616,296
Current assets	385,042	-	385,042
Current liabilities	(66,010)	-	(66,010)
	-----	-----	-----
Net assets at 31 March 2019	9,935,328	-	9,935,328
	=====	=====	=====

Comparative- 2018

	Unrestricted £	Restricted £	Total £
Fixed assets	9,109,356	-	9,109,356
Current assets	377,856	8,400	386,256
Current liabilities	(49,877)	-	(49,877)
	-----	-----	-----
Net assets at 31 March 2018	9,437,335	8,400	9,445,735
	=====	=====	=====

15. Events subsequent to the year end

In April 2019, the charity purchased a property for rental at a cost of £246,000.

